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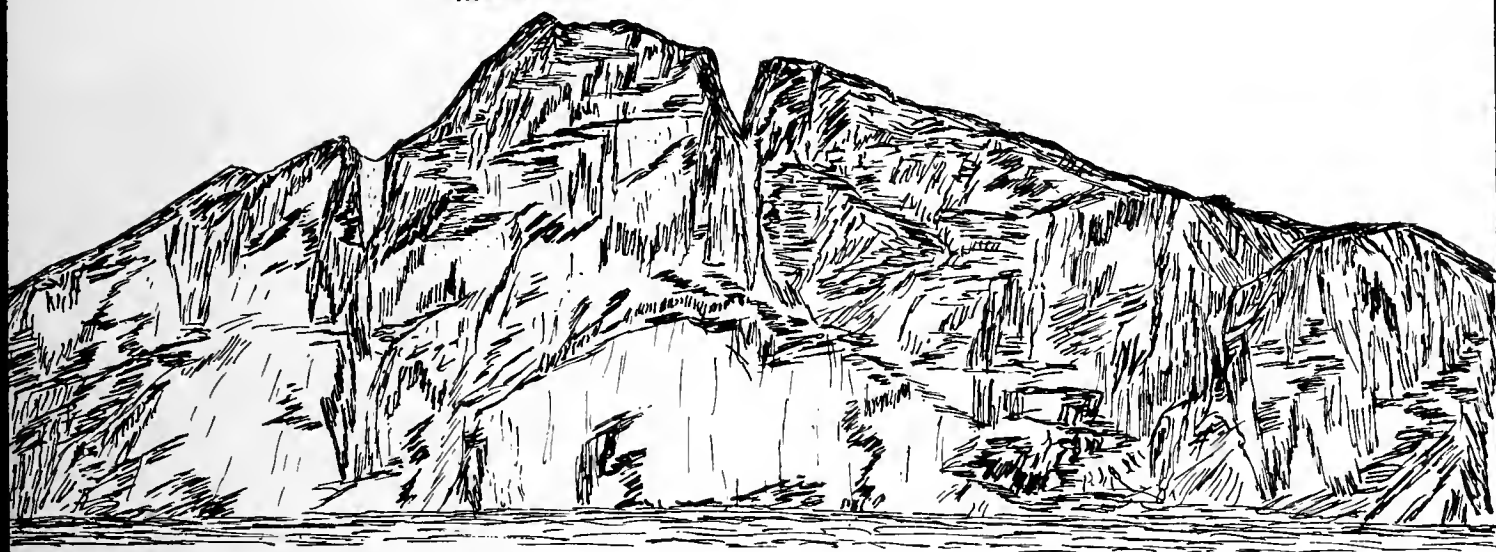


PLEASE RETURN GOVERNOR'S ANNUAL REPORT

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FISCAL YEAR 1977

Submitted By:

Thomas L. Judge

THOMAS L. JUDGE
Governor

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Office of The Governor
Helena 59601

THOMAS L. JUDGE
GOVERNOR

TO MEMBERS OF THE FORTY-FIFTH LEGISLATURE:

As provided for in Chapter 40, Title 82, R.C.M. 1947, submitted herewith is the Governor's Annual Report for Fiscal Year 1977. The Report reflects Executive Branch agency and program descriptions as well as program benefits and recommendations for improvements.

Sincerely,

A handwritten signature in black ink, appearing to read "Thomas L. Judge". The signature is fluid and cursive, with a large loop at the end of the last name.

THOMAS L. JUDGE
Governor

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FOREWARD

INTRODUCTION

The Governor's Annual Report is provided for in Chapter 40, Title 82, R.C.M. 1947. The purpose of the 1977 Report is to provide interested parties a brief summary of program operations and accomplishments for the fiscal year ended June 30, 1977, and to indicate certain agency recommendations for program improvements. Also included are brief descriptions of specific action taken by agencies regarding the Freedom from Discrimination Act.

REPORT FORMAT

The activities of each agency are expressed in terms of programs. A program identifies a related group of service oriented activities within that agency.

For each program the following information is provided:

1. Total disbursements for the fiscal year ended June 30, 1977.
2. Program description which indicates why the program exists.
3. Program benefits to the general public.
4. Recommendations for program improvement.

COMMENTS INVITED

Comments relative to the contents and/or format of the Governor's Annual Report are welcomed. Comments should be forwarded to:

Assistant Director
Office of Budget and Program Planning
State Capitol Building
Helena, Montana 59601



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AGENCY DESCRIPTION:

The Office of the Governor was created upon acceptance of Montana into the Union in 1889, and exists under authority contained in Article VI of the Montana Constitution. The Office oversees and directs the activities of the Executive Branch agencies in a manner which will insure the availability of responsible and responsive government to the people of Montana.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The Governor continued to emphasize the importance of hiring practice improvements in state government, and established an Inter-departmental Coordinating Committee for Women. The state has also secured the services of an experienced EEO officer.

EXECUTIVE OFFICE PROGRAM Disbursements \$690,521

PROGRAM DESCRIPTION: The Executive Office Program is responsible for overseeing and directing the activities of the Executive Branch of Montana state government, insuring responsive government for Montana.

PROGRAM BENEFITS:

The operation of the Executive Program for the fiscal year ended June 30, 1977, included the continuation of the Public Forums in various communities and several televised Forums. The Governor recommended a balanced financial plan, including significant tax relief, which was adopted by the 1977 Legislature. The Program supervised and coordinated the various executive departments in the conduct of their duties and assisted in the implementation of legislative measures passed by the 1977 Legislature. The Governor's Office represented the State of Montana before congressional committees, federal agencies, regional offices, and other states to protect the lifestyle, financial security, and environment of the state. During the 1977 fiscal year, the Executive Office assumed a lead role in an effort to consolidate and eliminate regional organizations representing various state interests. The Executive Office was reorganized into functional areas during the 1977 fiscal year in order to better coordinate policy and decision making.

MANSION MAINTENANCE PROGRAM Disbursements \$45,340

PROGRAM DESCRIPTION: The Mansion Maintenance Program is responsible for the maintenance of the Governor's official residence.

FEDERAL-STATE COORDINATOR Disbursements \$94,798

PROGRAM DESCRIPTION: The Federal-State Coordinator is responsible for providing an effective liaison among state, local, federal, and private organizations, and for providing information to all officials, agencies, organizations, and individuals regarding federal and state funding programs. This Office was incorporated into the Governor's Executive Office as of July 1, 1977.

OFFICE OF BUDGET AND PROGRAM PLANNING Disbursements \$733,285

PROGRAM DESCRIPTION: The Office of Budget and Program Planning (OBPP) assists the Governor in the planning, preparation, and administration of the state budget, the development and evaluation of alternative program plans for the provision of state government services, and the examination and improvement of methods of providing services to the citizens of the State of Montana. OBPP reviews the total organizational structure of the Executive Branch, makes recommendations on the transfer of functions between departments or the elimination of unnecessary functions, and formulates and monitors policies in areas of management concern. The Office also provides centralized services support for all programs of the Governor's Office, prepares and monitors estimates of revenues, and houses the State Clearinghouse provided in Office of Management and Budget Circular A-95.

PROGRAM BENEFITS:

Benefits accrued to the state as the result of the following performances by the Office of Budget and Program Planning:

1. Implemented the new Priority Budgeting System. Evaluation of the system is in process.
2. Prepared or contributed to the production of eight research reports. The reports were as follows:
 - a. *The Growth of Montana State Government*
 - b. *Detention and Shelter Care Plan 1976*
 - c. *Management of the Executive Branch: A Report to the Forty-Fifth Legislature*
 - d. *Montana Futures: A Survey of Citizen Choices*
 - e. *Priority Budgeting System - 1977-1979 Biennium*
 - f. *A Review of the Priority Budgeting System*
 - g. *A Brief Report on an Evaluation of Deinstitutionalization in Montana*
 - h. *Montana Title XX Needs Assessment - 4 volumes (with the Department of Social and Rehabilitation Services).*
3. Initiated a major evaluation of deinstitutionalization for the developmentally disabled and emotionally disturbed in Montana. The project will be completed in FY 1978.
4. The Budget Director chaired the Collective Bargaining Policy Task Force.

NORTHERN POWDER RIVER BASIN REGIONAL ENVIRONMENTAL IMPACT STATEMENT
 Disbursements \$102,009

PROGRAM DESCRIPTION: The state team of the Northern Powder River Basin Environmental Impact Statement Task Force works in conjunction with the U.S. Geological Survey in the analysis of impacts due to the development of coal resources in the Powder River Coal Basin of southeastern Montana. The Program exists to fulfill statutory requirements under the Montana Environmental Policy Act of 1971 and to advise both government decision makers and the general public of benefits and costs attributable to surface coal mining in the state. The Program was transferred to the Lieutenant Governor's Office Program effective July 1, 1977.

PROGRAM BENEFITS:

The Montana taxpayers indirectly support the project through a grant from the Old West Regional Commission to the state. Through the project's publications and environmental impact statement, Montana obtains more complete information on the many facets and impacts of surface coal mining, including socio-economic impacts, surface and ground water implications, and the status of reclamation under present law.

OFFICE OF THE LIEUTENANT GOVERNOR Disbursements \$64,915

PROGRAM DESCRIPTION: The Office of the Lieutenant Governor is provided for in Article VI of the Constitution of Montana.

PROGRAM BENEFITS:

Under the reorganization of the Governor's Office, the Lieutenant Governor's Office provides policy coordination in matters of energy, agriculture, livestock, and natural resources. The Montana Energy Office was transferred to the Lieutenant Governor's Office by Executive Order 10-77. Its responsibilities are to coordinate Montana's energy and resource policies, develop a state conservation program, develop a state program for emergency allocation of energy, and develop a program encouraging maximum use of alternative energy sources.

CITIZENS' ADVOCATE OFFICE Disbursements \$53,103

PROGRAM DESCRIPTION: The Citizens' Advocate Office gives the citizens of Montana an opportunity to air complaints, problems, and questions regarding state government, utilizing a toll-free telephone line. Since Montana is a large state, access to state government is often difficult for much of its population.

PROGRAM BENEFITS:

The Citizens' Advocate Office, in conjunction with the Aging Services Bureau of the Department of Social and Rehabilitation Services, offers special attention and services to senior citizens. The Office also has a communications system which enables communication with deaf persons who have access to a similar system. The Citizens' Advocate regularly speaks to civic organizations and various other groups about the services of the Office. In addition, the Office works closely with other state agencies on various projects such as the winterization program, water rights, food stamps, and housing. The Office also cooperates with the Human Rights Bureau regarding complaints, questions, and problems with discrimination.

MENTAL HEALTH ADVISORY COUNCIL Disbursements \$27,745

PROGRAM DESCRIPTION: The Mental Health Advisory Council is responsible for advising the Governor and the Legislature on the future direction, scope, and fiscal requirements in the field of mental health services that Montana provides, or should provide, to the citizens of the state. This Program was transferred to the Department of Institutions effective July 1, 1977.

PROGRAM BENEFITS:

The Council has served as a link for communication among state agencies, citizens, and private providers. This link has resulted in solution of some problems, which is of direct benefit to clients and taxpayers in time and cost savings. Specifically, the Council was instrumental in resolving the long-standing problem of an inoperable communications system at Warm Springs State Hospital; giving timely and knowledgeable advice to the Department of Institutions on the State Plan for Comprehensive Mental Health Services, which is a requirement for the receipt of federal funds; advising the Governor and legislators on the status and needs of the present mental health system; providing for the development of a closer working relationship among Warm Springs State Hospital, the community, and the Department of Institutions; and conducting a statewide needs assessment of the mental health system.

COMMISSION ON LOCAL GOVERNMENT Disbursements \$292,407

PROGRAM DESCRIPTION: The Commission on Local Government was established by Montana Laws of 1974, Chapter 221, and statutory authority for the Program exists in Section 16-5881, R.C.M. 1947. The Commission was charged with making a detailed and thorough study of local government structure, powers, services, finances, and state-local relations; preparing a revised code of local government law based on these studies; and making other reports and recommendations as considered necessary or desirable.

PROGRAM BENEFITS:

The Commission on Local Government completed a proposed local government code which was submitted to the 1977 Legislature. After completion of its duties, the Commission disbanded effective June 30, 1977.

MENTAL DISABILITIES BOARD OF VISITORS Disbursements \$29,594

PROGRAM DESCRIPTION: The Mental Disabilities Board of Visitors, established by the Legislature in 1975, is charged by Montana Law (Sections 38-1232 and 38-1330, R.C.M. 1947) with reviewing patient care at Montana's institutions for the mentally ill, the mentally retarded, and Community Health Centers.

PROGRAM BENEFITS:

The Board of Visitors regularly reviews patient files in an effort to assure quality care and individualized treatment for all patients. In addition, the Board makes official site visits to all the facilities to inspect the condition of the physical plant, living quarters, recreation areas, and wards.

The Board initiated voter registration of 140 eligible Warm Springs State Hospital patients.

PROGRAM BENEFITS: (continued)

The Board responded to numerous inquiries made on behalf of families of institutionalized patients regarding care and treatment of the patients. Assistance was given various individual patients, such as locating suitable housing for discharged patients.

After each site visit, the Board has issued reports on the institution visited, pointing out deficiencies, possible violations of law, and suggested means to correct deficiencies. The reports have also included areas in which the Board has seen improvements.

ENERGY AND RESOURCE POLICY OFFICE PROGRAM Disbursements \$288,708

PROGRAM DESCRIPTION: The Energy and Resource Policy Office Program has been transferred to the Lieutenant Governor's Office Program, and is reported in that section.

AGENCY DESCRIPTION:

The Office of the Secretary of State is a constitutional office existing pursuant to the provisions of Section 1, Article VI, Constitution of Montana.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The Office of the Secretary of State has not engaged in any practice contrary to the Freedom from Discrimination Act and has substantially complied with the provisions of the Act.

RECORDS MANAGEMENT PROGRAM Disbursements \$414,162

PROGRAM DESCRIPTION: The Program exists to discharge the duties of the Office of the Secretary of State imposed by Section 4, Article VI, Constitution of Montana.

PROGRAM BENEFITS:

The specific benefits to the public resulting from the operation of the Program in FY 1977 were the timely discharge of the duties of the Office of the Secretary of State and the continued maintenance and preservation of the records deposited with the office pursuant to law.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The Office of the Secretary of State is presently operating under severe space restrictions for records storage and employees which adversely affect the Program. Specific recommendations to improve the Program will be made upon the completion of a review of office organization, practices, and procedures.

AGENCY DESCRIPTION:

The Office of the Commissioner of Campaign Finances and Practices was created by the 44th Legislature, and exists under authority contained in Title 23, Chapter 47, R.C.M. 1947. It is attached to the Office of Secretary of State for administrative purposes only.

ADMINISTRATION PROGRAM Disbursements \$81,921

PROGRAM DESCRIPTION: The Program provides for the impartial administration and enforcement of the election laws relating to campaign finances and practices. The responsibility of the Program, as determined by statutory authority, is to promulgate administrative rules and to prepare and furnish report forms and a manual prescribing a uniform system of accounts for persons required to file information pursuant to Title 23, Chapter 47, R.C.M. 1947. In addition, it is to make all filed information available for public inspection, investigate all filed information and alleged violations, and, in conjunction with the county attorneys, initiate civil or criminal action to enforce the provisions of Title 23, R.C.M. 1947, or any other provision of state law relating to election practices in any political subdivision of the state.

PROGRAM BENEFITS:

Administratively, the Program resulted in the disclosure of the source and disposition of funds utilized to influence elections in Montana and provided for a cursory review and partial public dissemination of such disclosures. It afforded the opportunity to provide routine educational assistance and perform limited investigations of alleged violations.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Increase appropriations and staff to insure total implementation, administration, and enforcement of the election laws relating to campaign finances and election practices. The recommended increase will provide the means to continue and expand information and education programs; examine, audit, and provide wide public dissemination of information filed; and investigate and enforce alleged failures to file, falsifications, and violations. The accomplishment of these statutory mandates will encourage citizen faith and participation in the election process by insuring the purity of elections and by promoting an atmosphere in which there is a ready availability of complete, uniform, and truthful information about candidates for public office and money influence in politics.

AGENCY DESCRIPTION:

The Office of the Montana State Auditor, a constitutional office by law, has statutory duties to superintend the fiscal concerns of the state; to suggest plans for the improvement and management of public revenues; to keep an accounting system of all state funds; and pay into the state treasury all funds and fees received (Chapter I, Title 79, R.C.M. 1947).

The State Auditor, as Ex Officio Commissioner of Insurance, is empowered with duties to license and regulate insurance companies and agents in Montana (Section 40-2701, R.C.M. 1947).

The State Auditor is Ex Officio Investment Commissioner. The Commissioner regulates and registers issuers, broker-dealers, and investment advisers, and licenses salesmen to sell securities.

The State Auditor is director of the state centralized payroll system.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The State Auditor does not discriminate in any area. Freedom from discrimination is practiced every day. Employment is based on merit. The basis of approving companies, agents, salesmen, brokers and insurers is a series of checks made as to the solvency and soundness of a company through the administering of written examinations in order to attain the privilege of serving and servicing the work they must perform for the people of Montana.

CENTRALIZED SERVICES DIVISION Disbursements \$101,313

PROGRAM DESCRIPTION: This Program is charged with the administrative responsibilities of the State Auditor's office.

PROGRAM BENEFITS:

The Program continued administration of the State Auditor's office and service to the public in the best interests of the State of Montana.

CENTRAL PAYROLL DIVISION Disbursements \$198,604

PROGRAM DESCRIPTION: The major function of this Program is to operate a central payroll system for state employees.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Completely interface with the Statewide Budgeting and Accounting System to facilitate labor distribution in greater detail.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: (continued)

Provide for leave accounting to keep employees informed as to the time remaining for their use of sick leave and vacation leave.

Interface with the proposed personnel system so that the payroll system can supply the personnel system with necessary data.

FISCAL MANAGEMENT AND CONTROL DIVISION Disbursements \$260,316

PROGRAM DESCRIPTION: This Program is responsible for:

1. Direct mailing of State of Montana warrants, replacement of lost or damaged warrants and final storage of cashed warrants.
2. Depositing and receipting all fees collected by the Insurance and Investment Divisions.

PROGRAM BENEFITS:

"Same day" mailing of warrants as they are issued gets the money recirculated in the state's economy. Prompt depositing of fees collected allows the investment board to gain interest on the money as soon as possible.

INSURANCE DIVISION

The purpose of the Montana Insurance Department is to protect the insurance buying public by maintaining fairness in insurance transactions and solvency of insurers and the adequacy of insurance markets, and by permitting and encouraging competition between insurers on a sound financial basis.

MONTANA INSURANCE DEPARTMENT Disbursements \$351,641

PROGRAM DESCRIPTION: This Program exists for the regulation of the insurance industry in order to protect the insurance buying public, to wit:

1. To provide the insurance buying public with financially solvent companies and to assure them of the solidity of insurers, including examination of the affairs, transactions, accounts, records and assets of each authorized insurer as often as is deemed necessary.
2. For the purpose of maintaining fairness in insurance transactions, to examine accounts, records, documents, and transactions of agents, managers, etc., pertaining to or affecting insurance affairs or proposed insurance affairs.

PROGRAM DESCRIPTION: (continued)

3. To collect all insurance and license fees as provided for by the insurance laws of this state.
4. To require that any insurer transacting business in this state be authorized by a subsisting certificate of authority.
5. For the protection of the people of this state, to require that any agent or solicitor must qualify by written examination for license in compliance with the Code and be licensed.
6. To regulate trade practices in the business of insurance by defining, or providing for determination of, all such practices in this state which constitute unfair methods of competition or unfair or deceptive acts or practices, and by prohibiting the trade practices so defined or determined.
7. To promote public welfare by regulating insurance rates as provided in the Code to the end that they shall not be excessive, inadequate or unfairly discriminatory, and to authorize the existence and operation of qualified rating organizations and advisory organizations.
8. To provide that no basic insurance policy or annuity contract form, or application form where written application is required by law and is to be made a part of the policy or contract, or printed rider or endorsement form or form of renewal certificate, shall be delivered, or issued for delivery in this state, unless the form has been filed with and approved by the Insurance Department.
9. To allocate amounts of funds to be distributed from premium taxes collected to other sources, as provided for by law, to wit: Firemen and police pension funds, etc.

PROGRAM BENEFITS:

The Program provided the following benefits:

1. In addition to the protection of the public, this office provided a service to all policyholders, handling approximately 2,500 inquiries or complaints per annum, and recovering \$1,128,227 for the policyholders.
2. Collected \$11,239,651 in taxes and fees for the General Fund of the State of Montana.
3. Implemented new legislation (1) increasing capital and surplus requirements of insurers, (2) providing for prior approval of any bulk reinsurance of policies on Montana residents, and (3) expanding and revising laws on unfair trade and claim settlement practices.
4. Implemented new legislation to require an examination fee for insurance consultants.
5. Implemented new legislation to increase various other fees payable to the State of Montana for services provided by this office.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Continue updating and improving office procedures and practices.

Continue review of insurance laws for possible revision and/or amendment in the next session of the legislature.

Review present regulations for possible hearing procedure for amendment thereof.

Participate in task force committees on a national and zone level to develop and improve methods of regulation of the insurance industry, and to keep apprised on overall problems.

Expand complaint handling procedures to enable pinpointing of problem areas, and take steps to correct them.

INVESTMENT DIVISION Disbursements \$71,822

PROGRAM DESCRIPTION: The Office of the Investment Commissioner exists for the administration of the provisions of the Securities Act of Montana, for the protection of investors in securities against the imposition of nefarious and unsubstantial schemes and the securities based upon them.

PROGRAM BENEFITS:

Specific benefits for FY 1977 include the following:

1. 16 cease and desists.
2. 2 injunctions (four defendants enjoined).
3. 8 cases referred for prosecution — to date three defendants indicted, two convictions, and three cases referred to other states.

Also, the Program returned in excess of \$190,000 to investors which might have otherwise been lost, and provided \$136,856 income to the State of Montana General Fund.

LOCAL ASSISTANCE PROGRAM Disbursements \$1,970,736

PROGRAM DESCRIPTION: The Local Assistance Program provides for the distribution of police and firemen's retirement funds to local government entities. This activity was previously recorded in the Insurance Regulation and Licensing Program.

AGENCY DESCRIPTION:

The Superintendent of Public Instruction is an elective office established by Section 1, Article VI, of the Constitution. Title 75, Chapter 57, R.C.M. 1947, states that the Superintendent's prime mission is "the general supervision of the public schools and districts in the state."

Services in approximately 80 educational areas are provided for Montana's 170,000 school-age children and 11,000 teachers in 614 districts. The Superintendent's office provides consultative and technical assistance in assessing the state's educational needs and assists in the areas of teacher preparation, certification, school accreditation, information, financial and legal services.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

An EEO Officer for the Office has been assigned and the officer's name and phone number are published periodically in the Office newsletter.

Recruitment was begun during Fiscal Year 1976 for a full-time professional personnel manager whose responsibilities include implementation of the affirmative action program. This position has been filled and is functioning.

Recruitment and screening processes were reviewed and revised, and the agency application form and recordkeeping were revised to assure compliance with EEO principles.

Awareness sessions were conducted with all staff members to review the affirmative action program and to urge nondiscriminatory employment procedures.

An affirmative action training seminar was conducted for CETA subgrantees (five districts with postsecondary vocational-technical centers) to provide technical assistance necessary for center personnel to write affirmative action plans.

CHIEF STATE SCHOOL OFFICER Disbursements \$211,026

PROGRAM DESCRIPTION: The Chief State School Officer provides leadership, direction and coordination for the agency and the diverse groups it serves. The staff provides assistance in performing those duties prescribed specifically for the Superintendent or requiring the Superintendent's personal attention or representation.

PROGRAM BENEFITS:

Overall administration of the various functions and responsibilities of the Office was provided. Personnel in this agency, under the direction of the Superintendent of Public Instruction, provided essential leadership, coordination, and guidance for all programs and functions consistent with the goals and objectives that have been adopted for the Office.

A uniform accounting system for postsecondary vocational-technical centers was developed through work with the Northwest Regional Education Laboratory.

PROGRAM BENEFITS: (continued)

Educational Field Service Representatives were appointed and began service in the three field service regions of Montana.

The Foundation Program Review study was organized and is in operation.

Four additional tests in cooperation, environment, change and communications, part II, were developed and administered as part of the Montana School Testing Service program.

EDUCATIONAL SERVICES Disbursements \$5,604,631

PROGRAM DESCRIPTION: Educational Services personnel provide informational, evaluative, planning, data processing and financial support for basic and vocational subjects available in Montana schools at the elementary, secondary and postsecondary levels. This unit coordinates federal and state resources, assists local school staff directly through financial programs and administrative support and fosters improved communication through workshops, conferences and consultations.

PROGRAM BENEFITS:

Basic Skills Unit accomplished the following:

1. Implemented program planning effort.
2. Developed curriculum planning in the following areas: arts in education, social studies, environmental education, career education, reading, metrics and competency based education.
3. Conducted workshops on curriculum development.
4. Initiated working relationship with newly appointed executive assistant of the Board of Public Education.
5. Assisted and financed ad hoc committee to study library/media services in Montana public schools.
6. Implemented state adult basic education system and programs in local sites in accordance with legislative appropriation and existing staff.
7. Accepted responsibility for leadership in curriculum development in the following areas: energy, environment, metrics, competency based curriculum and gifted and talented.

Special Education Unit **benefits include:**

For handicapped children in Montana schools, a total of \$24,336,595 was approved to support special education and related services in 255 programs. Another \$1,661,000 was approved to support regional services for handicapped children in rural isolated schools that could not operate appropriate programs for their handicapped children.

The Federal Programs Unit staff of the Office of Public Instruction provided leadership, consultative and technical assistance to eligible school districts and other educational agencies in planning, developing, implementing, operating and evaluating instructional programs

PROGRAM BENEFITS: (continued)

and projects funded through various federal sources. The Office of Public Instruction staff also monitored federal programs for compliance with the appropriate federal and state statutes and regulations, disbursed funds appropriated by Congress, and provided fiscal control and accountability and program accountability in accordance with the provisions of law.

Elementary and Secondary Education Act (ESEA), Title I Unit accomplished the following:

1. Provided six regional workshops for administrators, teachers, parents and fiscal personnel regarding ESEA Title I program planning, parent advisory councils, fiscal management and evaluation.
2. Provided technical assistance to all of the ESEA Title I eligible school districts by at least one and in many cases a combination of the following methods: on-site visitations, workshops, letters, telephone or personal contacts.
3. A total of \$6,443,048 was approved during FY 1977 to provide Title I services in Montana schools and state institutions for approximately 13,000 children.

ESEA Title IV Unit established four different kinds of competitive programs that encouraged the establishment of educational innovations in Montana. Forty projects were funded under this Program for a total of \$375,609. They also processed and funded 414 applications to support schools in their efforts to upgrade library resources, educational materials and equipment and guidance and counseling services for a total amount of \$379,541.

The Indian Education Unit provided technical assistance to schools on or near Montana's Indian Reservations receiving Johnson-O'Malley Act funds. The Unit provided technical assistance to schools affected by the Indian Studies Law (Sections 75-6129 through 75-6132, R.C.M. 1947).

The Unit hosted the Annual Montana Indian Education Conference attended by approximately 600 Indian parents, teachers, administrators and tribal officials.

Vocational Education Unit accomplished the following:

1. Developed and implemented Board of Public Education policies and Office of Public Instruction administrative procedures for all vocational education in Montana.
2. Redesigned the state administrative system for vocational education enabling the secondary and postsecondary program levels each to have an Office of Public Instruction state administrator to deal directly with their problems and program needs.
3. Implemented a system to evaluate vocational education programs in conjunction with Northwest accreditation visitation.
4. Compiled a standardized list of all Board of Public Education approved programs and program options at the postsecondary centers.
5. Completed 869 searches for bibliographical data by Project Exchange on behalf of Montana educators and Office of Public Instruction staff.
6. Responded to more than six hundred field and staff requests made to the Resource Center for information assistance.

DISTRIBUTION TO SCHOOLS PROGRAM Disbursements \$139,472,332

PROGRAM DESCRIPTION: The Distribution to Schools Program is the organizational mechanism within the Office of Public Instruction that allows for the separation of funds into administrative/operational or "pass through" categories. Pass through monies are those distributed in the form of grants or entitlement funds to support programs such as Indian education, adult basic education, school lunches, and education for the handicapped in addition to public school equalization and monies for grants under the Elementary and Secondary Education Act. Fifty-eight percent of monies disbursed are federal funds with the remaining funds coming from state sources.

AGENCY DESCRIPTION:

Under the direction of the Attorney General, the Department of Justice provides the state level leadership and coordination necessary for effective law enforcement and public safety. Statutory authority for the Department is found in Section 82A-1201, R.C.M. 1947. The goals of the Department of Justice are to provide the best possible representation for the public in civil and criminal matters and the best in legal services for state, county and municipal agencies and their officials. It is a goal to enforce Montana traffic laws and to register all motor vehicles in the most effective and efficient manner possible. Additional goals include providing high quality educational programs for peace officers and assistance to local law enforcement agencies in order to bring offenders of Montana law to justice as quickly as possible, and to enforce the fire safety codes and regulations of the state.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The Department of Justice has taken steps to implement affirmative action procedures to eliminate discrimination in all aspects of employment and promotion practices. The designation of an equal employment opportunity officer insures that affirmative action guidelines will be adhered to. Also, the appointment of an EEO officer enables employees and prospective employees to file discrimination complaints and be assured that an investigation will follow.

LEGAL SERVICES PROGRAM Disbursements \$317,188

PROGRAM DESCRIPTION: The Legal Services Program is responsible for providing the Attorney General with legal research and analysis and providing legal counsel for officials, bureaus, and boards of state government; to represent Montana's interest in cases before state and federal courts to interpret laws; and to examine the legality of local bond issues.

PROGRAM BENEFITS:

It is beneficial to the state and the public, both in terms of cost and efficiency, to have legal services provided for by a staff employed solely to represent the state. The legal advice provided to representatives of local government represents a most important function of this Program, and the benefit to the public is infinite in that local governments are better able to serve their constituents. Furthermore, the opinions issued by the Attorney General are the responsibility of the Legal Services Program and provide guidance in a variety of legal concerns for the state.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The Legal Services Program recommends an effort to shift the emphasis of legal services provided all state departments from that of hiring outside counsel to the use of full-time career attorneys for reasons of accountability, lower overall cost, and management control of the delivery of state legal services. It is suggested that the state establish a back up pool of state attorneys available as resources when needed by other agencies. Such a pool could operate within the Legal Services Program and provide direct legal assistance for reasonable fees charged to each agency. Thus, the back up system could pay for itself on a basis prorated equitably among the user agencies.

ESCHEATED ESTATES PROGRAM Disbursements \$35,422

PROGRAM DESCRIPTION: The Escheated Estates Program is responsible for representing the state in cases involving money and other property which reverts to Montana in the absence of legal heirs.

PROGRAM BENEFITS:

The major benefit of the Escheated Estates Program is that the revenues produced for the State of Montana through the laws relating to the activities of the division exceed the annual appropriation for the division. Also, the Escheated Estates Program has corresponded with more than 200 oil producers within the State of Montana in an attempt to determine the existence of abandoned royalty interests and to assure these royalty interests are being properly accounted for. The Program has likewise undertaken to determine if all insurance companies are in compliance with the laws requiring that unclaimed benefits of policies and unclaimed premium refunds be paid to the State Treasurer.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The Escheated Estates Program presently consists of one part-time attorney and one part-time secretary. The investigative activities of the Program are such at this time that investigative staff of some nature could be utilized.

COUNTY ATTORNEY COORDINATOR PROGRAM. Disbursements \$32,914

PROGRAM DESCRIPTION: The County Attorney Coordinator Program provides local training in current aspects of the criminal law to county attorneys; assists in developing and disseminating standards, procedures and policies which will ensure that criminal laws are applied consistently and uniformly throughout the state; maintains a bank of criminal law information in the form of official opinions and legal briefs; and provides research and technical assistance to county attorneys.

PROGRAM BENEFITS:

The merger of the criminal investigation division and the training coordinator position into one bureau, and the expansion of the role of training coordination are significant improvements in the services offered by the Program. The public benefits significantly from improved services from county and city attorneys who are assisted by this Program.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Other than increased financial assistance there are no recommendations for Program improvement.

MOTOR VEHICLE ADMINISTRATION PROGRAM Disbursements \$28,408

PROGRAM DESCRIPTION: The Motor Vehicle Administration Program is responsible for the general administration of the traffic enforcement, driver licensing and motor vehicle registration programs through the Highway Patrol Bureau and the Registrar's Bureau. The Program also coordinates efforts in highway safety for the Department of Justice.

PROGRAM BENEFITS:

The Motor Vehicle Division provides policy and program approval, evaluation of traffic enforcement, driver licensing, motor vehicle registration, and highway safety functions for the Division. The Program was responsible for preparing, designing and evaluating the motor vehicle inspection law for Montana; however, the 1977 Legislature relieved the Division of its responsibilities of implementing a motor vehicle inspection program.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Recommendations for Program improvements include the recodification and amending of the motor vehicle code to insure its responsibility to the needs of the general public and state and local government; improvement of the timeliness and accuracy of vehicle, driver and accident information for use by law enforcement throughout the state; provision of additional enforcement personnel to reduce accidents and fatalities on our state's highways; and the provision of better driver control and evaluation.

PATROL OPERATIONS PROGRAM Disbursements \$987,998

PROGRAM DESCRIPTION: The Patrol Operations Program provides for the general administration of the Highway Patrol Bureau's finances and logistics, and supervision of the Patrol's personnel.

PROGRAM BENEFITS:

Program benefits are found in the planning, coordination and directing of the Highway Patrol's personnel to improve its services to the citizens of Montana.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Additional personnel are needed to keep pace with the increased volume of traffic, new vehicle registrations, new driver license applicants, and the increasing population of the state. The benefits of additional personnel would be realized in the increased hours of patrol during the times patrol coverage is now nonexistent.

DRIVER LICENSING PROGRAM Disbursements \$1,315,517

PROGRAM DESCRIPTION: The Driver Licensing Program fosters driver safety by supervision of all drivers who are permitted to operate motor vehicles on Montana roads.

PROGRAM BENEFITS:

Benefits are derived from the constant supervision and evaluation of all new and existing drivers within the state through driver license examinations and driver improvement programs.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Additional personnel are needed to keep pace with the increased volume of traffic, new vehicle registrations, new driver license applicants and the increasing population of the state.

FIELD SERVICES PROGRAM Disbursements \$3,722,822

PROGRAM DESCRIPTION: The Field Services Program assures that movement of traffic on Montana highways is accomplished as quickly and safely as possible through regulation and supervision of vehicular traffic.

PROGRAM BENEFITS:

Program benefits include constant traffic patrol of the highways, accident investigation, mercy details, courtesy service, auto theft investigation, vehicle inspection, livestock inspection, and enforcement of commercial vehicle regulations and traffic laws.

COMMERCIAL VEHICLE REGULATION PROGRAM Disbursements \$362,241

PROGRAM DESCRIPTION: The Commerical Vehicle Regulation Program is responsible for selling trip and fuel permits and issuing citations for vehicle registration, special fuel tax, and size and weight violations.

PROGRAM BENEFITS:

The Program permits the constant patrol and enforcement of commercial vehicle regulation and traffic laws. The issuing of permits and collection of fees from foreign-registered commercial vehicles are major benefits of the Program.

REGISTRAR OF MOTOR VEHICLES PROGRAM Disbursements \$1,003,527

The Registrar's Bureau is responsible for administering the laws set forth in Title 53, R.C.M. 1947, concerning the registration of motor vehicles in a timely, effective and accurate manner.

PROGRAM BENEFITS:

The processing of registrations with automated techniques results in: cross reference files available to the general public and law enforcement agencies, at state

PROGRAM BENEFITS: (continued)

and local levels; titles printed automatically and more timely; registration notices being automatically printed and mailed to about one-half of Montana's vehicle owners; and duplications being flagged and corrected by the Registrar's Bureau.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Improving the timeliness and accuracy of information captured and reducing duplication of effort between the counties and Registrar's Bureau would benefit the general public and law enforcement. Other recommendations include aiding the general public to more effectively comply with motor vehicle law; improving the public's access time to legal documents on file by microfilming; assisting with legislation to establish a uniform fee system for assessment of motor vehicles; and working more closely with vehicle manufacturers, lien holders and other states in establishing uniform forms to improve the processing of motor vehicle files.

CRIMINAL INVESTIGATION PROGRAM Disbursements \$113,695

PROGRAM DESCRIPTION: The Criminal Investigation Program is responsible for assisting city, county, state and federal law enforcement agencies at their request by providing expert and immediate aid in investigation and analysis of physical evidence from criminal cases committed in the state.

PROGRAM BENEFITS:

The benefit to the public is found in the more effective and professional investigation and prosecution of criminal cases in all 56 counties. Substantial monetary and manpower savings because of assistance in specific cases are also benefits received by the general public.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The merger of the Criminal Investigation Program and training into one bureau and the expansion of the role of training coordinator is a significant improvement in itself. The criminal investigation laboratory should expand its services to include firearm and questioned document examinations which would require the hiring of a firearms toolmark examiner and a questioned document examiner in addition to acquiring the necessary equipment. Also, the purchase of an automated x-ray fluorescent spectrophotometer system would provide fast analysis of trace evidence for 60 elements simultaneously to determine its source. This includes evidence that the laboratory cannot presently analyze because of small sample size and/or the destructive nature of present analysis capabilities.

LAW ENFORCEMENT TELETYPE PROGRAM Disbursements \$307,317

PROGRAM DESCRIPTION: The Program provides the Montana law enforcement and criminal justice agencies with an integrated telecommunications network which interconnects information sources and law enforcement agencies nationwide, including the National Law Enforcement Teletype System and the National Crime Information Center.

PROGRAM BENEFITS:

Law enforcement officers are public servants and it is to the general public's benefit that they are provided with rapid communication between like agencies in their own state as well as law enforcement communities throughout the nation. Access to state and/or national computerized files expedites the receipt of pertinent information necessary to execute their mandated duties.

Attempt-to-locate-for-emergency messages and road and weather information are also among the services provided the general public through the law enforcement telecommunications system.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Include the requirement that all user agencies "certify" their terminal operators. The certification requirement would create a new awareness of terminal capabilities in order to allow law enforcement agencies to obtain maximum use of LETS as well as minimizing the rate of message errors and possible misuse of the system.

LAW ENFORCEMENT ACADEMY PROGRAM Disbursements \$270,943

PROGRAM DESCRIPTION: The Law Enforcement Academy Program is responsible for providing Montana law enforcement officers with a means of securing additional professional education and training in criminal justice. The Academy's goal of providing high quality professional instruction to Montana's law enforcement personnel is accomplished by providing the best available instructions and resources.

PROGRAM BENEFITS:

In FY 1977, seventy schools were conducted, from which 1,397 peace officers graduated. With more training and increased professionalism, these officers are better prepared to provide quality law enforcement services to the citizens of Montana. Additional benefit is derived from the fact that the Academy is the centralized training facility in the state, with the quality of law enforcement training better than if each department had to provide their own training.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The Academy is unable to meet every request for training, particularly for regional training schools. This is primarily due to the lack of additional permanent staff and budget limitations. It is recommended that additional police instructors be added to the Academy staff thereby permitting the Academy to provide more training and reducing the dependence on consultant instructors in certain courses. It is further recommended that the budget be modified to fully fund the Academy operations. The current charges to agencies sending students to the Academy limit participation by most agencies. The benefits of professional, well trained law enforcement personnel to the citizens of Montana is such that such funding would be justified.

FIRE MARSHAL PROGRAM Disbursements \$160,230

PROGRAM DESCRIPTION: It is the purpose of the Fire Marshal Program to upgrade fire safety prevention and investigation to reduce the loss of life and property from fire to an acceptable level. The Program reviews blueprints and specifications for construction and re-modelling of all schools, hotels, certain motels, and public assembly buildings; investigates serious and suspicious fires to determine their cause; and assists in developing effective legal cases against arson suspects.

PROGRAM BENEFITS:

The Fire Marshal Program was responsible for identifying the critical problem of arson as contributing to one-third of the total annual fire loss. In addition, the actual causes of fires were identified with more accuracy. The public benefits from this knowledge through efforts to reduce fire incidence based on valid fire cause information.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

There is need for increased public information effort. Benefits to the public would be a reduction of fire loss. Inadequate funding and lack of time prevent the Program from pursuing an intense program of fire prevention. Also, there is need for increased effort in an inspection program, particularly in the underground storage of flammable liquids.

IDENTIFICATION PROGRAM Disbursements \$61,516

PROGRAM DESCRIPTION: The Identification Bureau exists for the purpose of collecting accurate and up-to-date information concerning individuals arrested and convicted of crimes in the State of Montana. The Program seeks to disseminate the accumulated information to interested law enforcement agencies in Montana and throughout the nation.

PROGRAM BENEFITS:

Benefits to the general public resulting from the operation of the Identification Bureau are achieved through improved law enforcement services. The law enforcement community is assisted in the pursuit of its duties by the in-depth information provided by the Identification Bureau. The public directly benefits from the publication of information distributed on missing persons and unidentified deceased persons.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Recommendations for improvement include continuing the review of new privacy and security regulations to insure that the Bureau is in compliance. Also, new regulations provide for the checking of criminal records with identification bureaus of individual states as of December 31, 1977. In order for Montana's Identification Bureau to provide this service, it is vital that fingerprints of persons arrested by local law enforcement agencies be submitted to the Identification Bureau on a timely basis which will require the implementation of new procedures.

LAW ENFORCEMENT ADVISORY COUNCIL PROGRAM Disbursements \$333

PROGRAM DESCRIPTION: The Law Enforcement Advisory Council Program is responsible for providing a liaison between the Department of Justice and the Montana law enforcement community. The Council has eleven members representing county sheriffs, chiefs of police, county attorneys, district judges, legislators, educators, clergymen and federal law enforcement officers.

PROGRAM BENEFITS:

Increased communication between Montana's law enforcement community and the Department of Justice enables both groups to better serve the public by providing high quality services in the field of law enforcement. The Program has been incorporated into the Legal Services Program.

CENTRAL SERVICES PROGRAM Disbursements \$159,496

PROGRAM DESCRIPTION: Central Services provides the budgetary, accounting and fiscal support for the Department of Justice.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Central Services is currently included in the Statewide Budgeting and Accounting System upgrade project and hopefully the system will be improved so that daily access to our financial records and reports will warrant a direct computer access to the SBAS.

DATA PROCESSING PROGRAM Disbursements \$258,547

PROGRAM DESCRIPTION: The Data Processing Program is responsible for supporting all programs within the Department of Justice, with an emphasis on the relationship between law enforcement and the Department through the utilization of an automated computer system. The goal of the Program is to provide the Department of Justice with economical and efficient data processing capabilities with which to serve the general public.

PROGRAM BENEFITS:

Benefits include a decrease in the amount of time necessary to produce a motor vehicle title upon receipt of application or transfer and improved performance of automated registration.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

It is recommended that the scope of this Program, previously limited by legislative intent in funding, be expanded to include providing information system support to all bureaus within the Department of Justice.

PLANNING AND ADMINISTRATION PROGRAM

Board of Crime Control Disbursements \$963,202

PROGRAM DESCRIPTION: The Planning and Administration Program exists to provide the leadership, operational direction, and fiscal control which are necessary to satisfy the activities mandated in the Crime Control Act and the Governor's Policy Initiatives. It is responsible for establishing goals and objectives as guides for coordinated operations. It conserves and protects assets and records, and controls monetary activities; prepares and maintains budgets, insures adherence to state/federal regulations; provides support staff for the Supervisory Board, Regional Advisory Councils, committees and task forces; and conducts training workshops for staff in planning technical assistance, grants management, and project evaluation. It also provides for public education and community awareness programs.

PROGRAM BENEFITS:

The principal benefit to the general public was that considerable new fiscal resources (\$2,349,330) were received and judiciously injected into the state and local criminal justice system to improve the system and to reduce crime by way of our Action Program.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

It is recommended that the role of the agency evolve into a more technical assistance and facilitation oriented one as opposed to the present emphasis on funding and grants management. The benefits to local criminal justice agencies and to the public they serve will be numerous, and in particular, it will develop the capacities of local agencies and communities to deal more effectively and efficiently with crime, and to accomplish it with local resources.

ACTION PROGRAM – Board of Crime Control Disbursements \$2,641,353

PROGRAM DESCRIPTION: The Action Program exists to improve the criminal justice system and to reduce crime in Montana by funding projects and **programs** as determined in the Comprehensive State Plan for Criminal Justice. There are ten major activities carried out under the Action Program: cooperative law enforcement, crime specific planning, manpower development, jail improvement, crime prevention, juvenile justice, physical resource development, human resource development, information systems development, and offender treatment improvement. These activities are generated in the annual comprehensive plan for criminal justice improvement and the funds allocated to each activity is determined on a yearly basis by the Board of Crime Control.

PROGRAM BENEFITS:

The primary benefit to the general public has been in the reduction of crime in Montana through more efficient and effective operation of the criminal justice agencies that service them. In the past year there has been a 20 percent decrease in violent crimes in Montana and a 2 percent decrease in property crimes across the state.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

It is recommended that more funds and staff effort be directed at building local planning capacity along the general lines of the three Crime Attack Teams operating in Missoula, Billings, and Great Falls. The benefits will be even more impressive reductions in serious crimes across the state.

WORKER'S COMPENSATION PROSECUTION PROGRAM Disbursements \$378,595

PROGRAM DESCRIPTION: This Program provides administrative support and legal services to handle the investigation and prosecution of Worker's Compensation cases.

AGENCY DESCRIPTION:

The purpose of the Department is to regulate rates and services of the railroads, "for hire" motor carriers, and public utilities which by law are subject to Department jurisdiction. The purpose of regulation is to assure the consuming public of safe and adequate transportation and utility services at just and reasonable rates.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

During FY 1977 the Department undertook the task of preparing and filing an Affirmative Action Plan to assure that all present and future employees of the Department will have equal employment opportunity.

PUBLIC SERVICE COMMISSION Disbursements \$725,731

PROGRAM DESCRIPTION: The purpose of the Program is to regulate rates and services of the railroads, "for hire" motor carriers, and public utilities which by law are subject to Department jurisdiction. The purpose of regulation is to assure the consuming public of safe and adequate transportation and utility services at just and reasonable rates.

PROGRAM BENEFITS:

During FY 1977 the Department initiated a more stringent and active participation in motor carrier safety by assuring that the motor carrier enforcement officers perform safety checks. The officers also participated in two Department of Transportation area safety checkpoints.

In the matter of utility rates and services, the consuming public's interests were considered by the Commission in various hearings. Through a progressive approach to structuring utility rates, the Department is in the process of distributing the burden of utility costs equitably among all classes of customers. This method of pricing utility services is in line with the policy of conserving vital natural resources expressed by the Department and the Governor's Office. Also, the Office of Consumer Services' representative handled 532 complaints with a total known dollar savings of \$18,939.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

One of the most prominent objectives of the Department and certainly a major recommendation is increased coordination and participation between the various state and federal agencies which are primarily involved in energy related matters such as conservation, utility siting, utility rates, transportation, and all areas which affect Montana's limited natural resources. In this day and age of automated data processing, the Department recommends and requests that more thought and dollars be directed to the Department in order to automate rate making procedures and various office functions of a repetitive nature in both utility and transportation procedures.

AGENCY DESCRIPTION:

The Department of Community Affairs (DCA) has one central purpose – to provide financial and technical assistance to local governments in the areas of human resource development, planning, transportation, fiscal management, and information gathering.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The Department's Affirmative Action Plan was approved by the EEO Bureau of the Department of Administration on March 10, 1977. The Director has reviewed the plan with all division administrators, and all DCA employees have been notified by memorandum of the availability of the plan and have been provided copies of the DCA Affirmative Action Policy Statement, Discrimination Complaint Procedure and Maternity Leave Policy. All applications for employment are being reviewed by the EEO officer and any cases of possible discrimination are discussed with the administrator.

AERONAUTICS DIVISION Disbursements \$731,351

PROGRAM DESCRIPTION: The Aeronautics Division consists of various boards and bureaus. The Aeronautics Board is a quasi-judicial board allocated to DCA for administrative purposes and may exercise its quasi-judicial functions independently of the Department without approval or control of the Department. The Air Transportation Bureau administers the state aircraft pool and provides aircraft transportation for state personnel. The Airport/Airways Bureau provides technical and financial assistance to communities in airport development, navigational aid development, communications, aviation safety, and airport planning. This Program plans, establishes, operates and maintains the state-owned system of airports, navigational aids and communications facilities. The Safety and Education Bureau enforces state law on pilot and aircraft registration, provides search and rescue for lost aircraft, aids the aviation community and educational systems in upgrading aviation qualifications, furnishes aviation information and education to high school and college level students who wish to study aviation for a career, and inspects and approves VA approved flight schools for training veterans in Montana.

PROGRAM BENEFITS:

The Aeronautics Board intervened in CAB Docket 21448 Spokane-Montana Points Service Investigation, seeking improved air service for the general public, and was actively engaged in supporting legislation to prevent loss of air service to small communities and in preventing closure of the FAA Airport District Office in Helena.

The Air Transportation Bureau chartered flights with Montana fixed base operators totaling \$42,700, rented airplanes totaling \$72,942 and flew for state agencies a total of 1,505 hours.

Through the Airport/Airways Bureau the general public benefited through continuing operation, development, and improvement of Montana's aviation system, through \$28,000 in loans and grants for improvements on various community airports; new low intensity runway

PROGRAM BENEFITS: (continued)

lighting system at St. Ignatius; new air-to-ground communications facilities at Gardiner and Ekalaka; non-directional radio beacon at Baker Airport to enhance the enroute airway system in Montana; improvements to East Poplar Border Crossing Airstrip and Lincoln Airport, both state-owned; acquisition of five sets of wind recording instruments and eight sets of aircraft traffic counters which will provide invaluable information in planning and engineering further development of Montana's aviation system; drafting and passage of Senate Bill 198 which will provide land-use zoning protection for Montana's public use airports; distribution of updated Montana Airport Directory; and technical assistance to 41 individual Montana communities in the areas of aviation safety, engineering, communications and navigation.

Through the Safety and Education Bureau 3,107 pilots and 1,830 aircraft were registered; inspection and monitoring of 16 VA approved flight schools was maintained; five full scale searches for lost aircraft were conducted; one flight instructor refresher course was given; 27,600 monthly newsletters were mailed to pilots and other interested persons in Montana and throughout the United States; five teacher workshops were conducted at various colleges around the state; Youth in Aviation competition in the high school aviation education programs was conducted; and one high school class and two adult evening classes in pilot ground school were conducted involving 80 people in Helena.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

An increased funding level would provide more rapid improvement of Montana's Airports and Airways system. This would provide for greater efficiency and safety in movement of goods and persons by air. One additional FTE would enhance our ability to monitor, interpret and disseminate information from our wind recording and traffic counting instruments, and allow application of those data in updating the Montana State Airport System Plan. It is recommended that additional money be budgeted for the Aviation Education program to expand Youth in Aviation and teacher workshop programs. Some high school students are not receiving aviation education at present because of budget restrictions.

CENTRALIZED SERVICES DIVISION Disbursements \$484,361

PROGRAM DESCRIPTION: The Centralized Services Program responsibilities include: accounting, fee collection, budgeting, purchasing, records and statistics, payroll, personnel, legal and general services for the Department.

PROGRAM BENEFITS:

The Centralized Services Division enabled the divisions of the Department to service the public in a more efficient manner.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The Centralized Services Program must bring about a greater coordination with the Office of Budget and Program Planning.

COUNTY PRINTING BOARD Disbursements \$1,250

PROGRAM DESCRIPTION: The County Printing Board is responsible for adopting and publishing a schedule of maximum prices to charge for county printing and legal advertising.

PROGRAM BENEFITS:

The County Printing Law requires that counties deal with an institution of some permanence in the locality which would be immediately accessible and accountable to county officials.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The County Printing Board could improve its program by doing a complete analysis of each county's contract.

COAL BOARD Disbursements \$10,138,571

PROGRAM DESCRIPTION: The purpose of the Program is to assist "local governmental units which have been required to expand the provision of public services as a consequence of large-scale development of coal mines and coal using energy complexes."

PROGRAM BENEFITS:

The benefit to the general public resulting from the Program in FY 1977 was \$10,091,230 in grant monies for public services and facilities. These monies were used for capital equipment, construction, and service projects. Construction projects included schools, power systems, and water systems; capital equipment projects included purchase of street maintenance equipment, sewage and water system maintenance equipment, education equipment and furniture; and services projects included clerical, health, and planning services.

ECONOMIC DEVELOPMENT DIVISION Disbursements \$163,553

PROGRAM DESCRIPTION: The purposes of this Program are to provide more and better year-round jobs for Montanans, and also to save endangered jobs within the state. The Department of Community Affairs no longer has responsibility for this Program because the 1977 Legislature transferred the Program to the Governor's Office of Commerce and Small Business Development.

PROGRAM BENEFITS:

Program benefits include the following:

1. Worked continuously with the Castle Mountain Lumber Company in White Sulphur Springs in applying for and obtaining a large EDA working capital loan in order to keep the sawmill in business. The EDA loan saved 134 existing jobs and added 54 employees. Annual payroll is now \$1.8 million.

PROGRAM BENEFITS: (continued)

2. Worked with the H & R Lumber Company in Dillon to save the sawmill which was endangered by debts and other managerial problems. Agreements were reached with creditors, the Forest Service, and others, and management problems were corrected. These actions saved 23 existing jobs and added 11 employees. Annual payroll is now \$500,000.
3. Held foreign export seminars throughout the state in order to encourage manufacturers to export their products. This resulted in interest by 60 companies which had not previously exported but which have realistic potentials for export. Approximately 20 of these companies are now working with the U.S. Department of Commerce's office in Butte in order to commence exporting.
4. Encouraged a Seattle export broker to establish a branch office in Butte in order to assist the Port of Butte in obtaining foreign export business. The Seattle broker replaced a Canadian border broker and this should help the Port of Butte considerably. Also re-evaluated the Port of Butte's goals for more realistic operation.
5. Prepared an Overall Economic Development Plan (OEDP) for the newly established Montana EDA District No. 9 (Gallatin, Park, and Meagher counties). This "economic and project study" is required before EDA will consider project funding within the district.
6. Prepared a brochure for the City of Shelby and its new industrial park.
7. Worked with the Anaconda Company on a Harbridge House (National Science Foundation) study regarding regulatory restraints imposed by Congress upon the copper wire industry. Corrective legislation may be proposed to Congress.
8. Funded a study on the heating system at the Glasgow Air Force Base and aided the base in a number of its requests for data and job potentials.
9. Worked on a "gasohol" study pertaining to the manufacture of grain alcohol for use as a partial substitute for gasoline.
10. Worked on a committee of the Old West Regional Commission concerned with the federal funding of job-related projects within the state and region.

HIGHWAY TRAFFIC SAFETY PROGRAM Disbursements \$638,026

PROGRAM DESCRIPTION: The objective of the Highway Traffic Safety Program is to reduce the motor vehicle traffic fatality rate (traffic fatalities per 100 million vehicle miles traveled) from the 1975 figure of 5.21 to 3.90 by December 31, 1980.

PROGRAM BENEFITS:

The traffic fatality rate has been reduced to 4.90 as of December 31, 1976. This is the lowest fatality rate attained on Montana's highways. Among the many diverse projects implemented during FY 1977 to assist in achievement of the reduced fatality rate was a selective traffic enforcement program in the City of Great Falls. In conjunction with the

PROGRAM BENEFITS: (continued)

project, a pilot program was also established utilizing civilian accident investigators in the attempt to reduce costs for this activity and provide increased time for uniformed patrol activity. A county bridge inspection program was established and ninety-eight deficient bridges were inspected. These bridges were also load-rated, and cost estimates for repair were computed as required. The drinking driver alcohol testing system was continued during the fiscal year and 3,214 drivers were found to have 10% blood alcohol content. Speed detection radar sets were purchased for twelve communities to aid local law enforcement, and a traffic enforcement plan for Lewis and Clark County was completed. In the effort to assist counties in locating accidents on the roadway, mileposts were installed on roads in three counties. The school bus driver training program was also continued. A model traffic ordinance was completed for use in local communities. A hospital route signing project was also completed.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The traffic accident severity in Montana could be greatly reduced if more citizens would obey the national fifty-five mile per hour speed limit and wear safety restraint systems available in their automobiles.

HUMAN RESOURCES DIVISION Disbursements \$4,955,873

PROGRAM DESCRIPTION: The Human Resources Division was established under both state and federal statutes to secure for the citizens of Montana the benefits offered by the U.S. government for economic betterment and the relief of poverty.

The Human Resources Division has two specific roles in accomplishing that function:

1. As the State Economic Opportunity Office, it advises the Governor of all anti-poverty programs and their relation to the State of Montana.
2. It acts as an advocate of the poor within state government and it provides technical assistance to local anti-poverty groups.

As the State Community Action Agency, the Human Resources Division funds, monitors and evaluates the activities of the state's ten Human Resource Development Councils. These agencies are the local organizations implementing the state's specific anti-poverty programs.

PROGRAM BENEFITS:

The Program provided the following:

1. Through contract with the ten Human Resources Development Councils, delivered the following services:
 - a. Winterized the homes of 1,298 low-income, handicapped and/or elderly persons, effecting a savings in heating payments of over \$150,000 per annum.

PROGRAM BENEFITS: (continued)

- b. Provided over 5,410 low-income Montanans with jobs and/or employment services through the operation of CETA funds through the Governor's Employment and Training Council (GETC).
- c. Established and funded the District X Human Resource Development Council. As of the end of FY 1977, the entire state is served by Human Resource Development Councils, congruent with the Governor's planning districts.
- d. Initiated the Community Food and Nutrition Program which:
 - 1) Constructed ten solar-reliant greenhouses with the produce benefiting poor persons.
 - 2) Established food banks in two districts.
 - 3) Provided emergency assistance in obtaining food stamps.
 - 4) Supplemented elderly feeding programs in seven districts.
- e. Prepared a comprehensive, statewide human resource plan to implement local solutions to problems of the poor.
- 2. Fulfilled legislative and regulatory requirements as a State Economic Opportunity Office by:
 - a. Reviewing and recommending to the Governor for funding all federally funded anti-poverty programs throughout the state.
 - b. Researching, compiling and publishing 150 constituency profiles for distribution to the state legislature. The profiles contain the demographic data of each district.
 - c. At the request of individual legislators, compiling the information necessary to assist in the drafting of House Bill 701, which ultimately was funded and will provide \$150,000 per annum for our weatherization program.
 - d. Providing over 3,160 man-hours of on-site visitation to Human Resource Development Councils in areas of program planning, operation and financial management.
 - e. Conducting twelve training sessions for Human Resource Development Council staff to assist in implementation of various Human Resources Division programs.
 - f. Funding a district wide application of the single purpose application and automatic referral system (SPAARS) designed to reduce "red-tape" and expedite delivery of social services.
 - g. Providing funding and support for the Governor's Poverty Council.
 - h. Providing funding and support for the Montana Senior Citizens Association to continue their advocacy efforts on behalf of the state's elderly.

COORDINATOR OF INDIAN AFFAIRS PROGRAM Disbursements \$73,586

PROGRAM DESCRIPTION: The Indian Affairs Coordinator is responsible for acting as liaison between the State of Montana and Montana's Native Americans, making Montana Indian groups aware of federal assistance and development programs, and soliciting Native American input and participation in the governmental decision-making process.

PROGRAM BENEFITS:

The Office became familiar with problems confronting Indian people and advised state government on related Indian matters (i.e., employment, education, health, welfare, housing, law and order, jurisdiction, legislation, economic development, etc.). Better communications were developed between Indian and non-Indian communities. Existing programs were coordinated, and the Office identified and provided government channels of services and assistance. Employment opportunities for Indian people were enhanced through the operation of the Montana Native American Talent Bank. The Office daily provided technical assistance to tribes, State Board of Crime Control, and the Federal Law Enforcement Assistance Administration in improving the over-all Indian judicial systems on Montana reservations. The Office represents the general Montana Indian population on various state, regional and national committees, and boards and commissions to insure that Indian issues and concerns are brought to the attention of the appropriate entities.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The Office recommends an increased funding level to enable office personnel to spend adequate time at the reservation level to provide direct technical assistance and to recognize a budgetary need for staff training and educational support at the professional levels. The benefits expected as a result of implementation of these recommendations will be improved tribal/state relations and personnel skills in minimizing conflict areas.

LOCAL GOVERNMENT SERVICES PROGRAM Disbursements \$575,679

PROGRAM DESCRIPTION: The Local Government Services Program attests to the credibility of financial reports and management practices of all local government entities through post-audits of their respective governmental operations. These audits are designed to ensure constituent interests by determining that the financial condition and operations of the respective entities are reasonably conducted and reported. These audits further ensure that all appropriate state statutes and regulations are accomplished, and that the stewardship of Montana local government entities is conducted in such a manner as to preserve and protect the public trust. The Program also provides consultant services to local government entities in the area of local government operations.

PROGRAM BENEFITS:

During the fiscal year ended June 30, 1977, the constituencies of 524 Montana local government entities were informed as to the operation of their respective entities, the uses to which their tax moneys were put, and the extent to which local officials had adhered to relevant state laws and regulations. As a result, local officials were able to make better management decisions.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Of the three elements of governmental auditing, this Program addresses primarily the financial and compliance element. Due to increasing constituent demand for more accountability in public programs, it is recommended that this Program be funded to a level which would better address the economy, efficiency, and program results elements.

ACCOUNTING AND MANAGEMENT SYSTEMS PROGRAM Disbursements \$201,890

PROGRAM DESCRIPTION: The Accounting and Management Systems Program exists to develop, implement and maintain uniform budgetary, accounting and reporting systems for Montana cities, towns, counties, school districts and single purpose districts. In addition, the Program provides special accounting assistance to local government officials and on-going training for local government finance personnel.

PROGRAM BENEFITS:

During FY 1977, a Budgetary, Accounting and Reporting System for cities and counties was developed which is in compliance with all legal requirements and generally accepted accounting principles for governmental units. This System will provide a decision making tool for local government managers and allow full financial disclosure to the general public. The training of local finance personnel during 1977 increased their accounting knowledge and skills to the end that they were able to improve their management practices. The Program's technical assistance enabled local officials to more efficiently administer their operations. Improved accountability of local government provides the general public with the information needed to assess how tax dollars are utilized and to better evaluate the operating performance of the respective government units.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

It is recommended that the level of Program funding be maintained in order to implement and maintain the city, county, and town Budgetary, Accounting and Reporting System and to develop systems for school districts and single purpose districts.

OLD WEST REGIONAL COMMISSION Disbursements \$267,664

PROGRAM DESCRIPTION: The Old West Regional Commission was established in 1972 under the Federal Public Works and Economic Development Act of 1965 to formulate and carry out regional economic development plans. The Commission is a federal-state partnership designed to solve regional economic problems and stimulate desired economic growth in the states of Montana, Nebraska, North Dakota, South Dakota and Wyoming. Responsibility for this Program has been transferred to the Governor's Office of Commerce and Small Business Development.

PROGRAM BENEFITS:

The Program assisted the Governor in obtaining the following Commission grants for Montana recipients:

1. \$293,000 to the Office of the Governor to assist the state participate in the preparation of the Northern Powder River Basin environmental impact statement.
2. \$313,581 to the Department of Community Affairs to assist communities experiencing, or anticipated to experience, the impact of energy development. Technical manpower, planning support, and feasibility studies are being provided to impact areas.

PROGRAM BENEFITS: (continued)

3. \$259,412 to the University of Montana to develop diagnostic methods and treatments for the weak calf syndrome.
4. \$326,127 to Montana State University for development of sod seeding methods for establishment of small seeded grasses and legumes.
5. \$142,560 to the Lieutenant Governor's office to develop promotional and marketing strategies directed toward increasing beef exports to Japan, Korea, Hong Kong, Taiwan, and the Philippines.
6. \$4,791,408 to the Family Training Center located at Glasgow Air Force Base to operate the family education and employment program.
7. \$400,000 to the Montana Energy Research and Development Institute to establish a Center for Innovation to assist inventors market their products.
8. \$150,000 to substate planning and development organizations for administrative expenses.

Montana also continued to participate in the following Commission funded projects: regional range program, accelerated soil survey program, regional grazing program, the international trade program, and the assessment of the feasibility of constructing and supporting a college of veterinary medicine in the Old West Region.

The Program also:

1. Acquired federal excess equipment and material with original costs of approximately \$1,500,000 for Montana communities and state agencies.
2. Completed an updated version of the Montana Public Investment Plan. The Plan is designed to assist the Old West Regional Commission in the preparation of long-range economic programs for the region, including the development of a comprehensive regional economic plan to be approved by the Secretary of Commerce.
3. Continued to provide coordination and liaison between state and local agencies and the Old West Regional Commission in implementing Commission programs and policies.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Prior to this year, Commission funds were available only for technical assistance — research, development and demonstration — because the Commission's Regional Economic Plan had not been approved. Upon approval of the plan, early this year, the Commission was authorized to provide supplemental funds to existing federal programs. The supplemental grant will be implemented during the coming year.

DIVISION OF PLANNING PROGRAM Disbursements \$1,228,940

PROGRAM DESCRIPTION: The purpose of the Planning Division is to encourage and assist development which is environmentally, socially and economically sound through

PROGRAM DESCRIPTION: (continued) comprehensive land use and transportation planning by both state and local government. These objectives are sought through a program of developing and providing data required for land use and transportation planning, maintaining interagency and intergovernmental communication, providing technical and professional assistance to local government, securing and administering federal funds for state and local planning, and advising the Governor on matters pertaining to land use and transportation planning.

PROGRAM BENEFITS:

During FY 1977 the Planning Division:

1. Designed, organized and initiated an interagency statewide land use inventory and mapping project to be completed in 1979.
2. Conducted an in-depth analysis of the effectiveness of the Montana Subdivision and Platting Act and reported findings and recommendations to the Governor, the Legislature, and the general public.
3. Successfully applied for and administered approximately \$332,000 in federal assistance for state and local planning.
4. Researched, summarized and published a compilation of selected Montana land use and water laws.
5. Conducted an in-depth analysis of the Montana Economic Land Development Act and published findings and recommendations to the Governor and the Legislature.
6. Provided local governments with technical review comments on all subdivision plats submitted to the Division pursuant to the Montana Subdivision and Platting Act.
7. Developed and submitted to the Governor and the Legislature a major proposal for direct involvement of state government in land use planning for areas of critical state concern.
8. Provided day-to-day assistance to private citizens, developers and local governments in answering their questions concerning planning, land use regulations and subdivision law.
9. Pursuant to state law, administered the State Transit Subsidy Fund and the County Land Planning Funds.
10. Assisted 13 communities in planning for and providing public transportation for the elderly and handicapped.
11. Obtained and administered federal funds for purchase of 15 small busses for transportation of the elderly and handicapped.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Planning in Montana could be made more responsive to state and local needs through enactment of new local government enabling legislation as recommended by the former State Commission on Local Government, providing a much stronger supportive role for state government as proposed by House Bill 770 during the 1975 session, and providing a proportionately higher level of state relative to federal funds with a subsequent reduction in the need to meet federal planning priorities.

DIVISION OF RESEARCH AND INFORMATION SYSTEMS . . . Disbursements \$254,181

PROGRAM DESCRIPTION: The Division acts in a staff capacity, furnishing research and informational backup to the Department, to other departments of state government, and to federal agencies in the state, local governmental organizations and their representatives, and the general public.

PROGRAM BENEFITS:

The Division, among other activities in FY 77:

1. Prepared and distributed publications including:
 - A report to the Governor and the Legislature on the state's economy.
 - A statewide Directory of Manufacturers.
 - County profiles, with some 50 tables of information by county in 10 subject fields.
 - Population estimates by county for the years 1950 to 1975.
 - Population projections by county and by incorporated towns to the year 2000.
 - A directory of trade and technical associations in the state.
2. Redesigned its Library Retrieval System and added to the indexed and abstracted file of library holdings, now numbering over 7,000.
3. Completed for 30 counties a subdivision file giving, in machine-retrievable form, the numbers, sizes, and locations of subdivisions by year and by county.
4. Utilized its Montana Futures Process — a computer model of the economy — for numerous applications for units of the state government, including:
 - Analysis of the impact of drought on the Montana economy.
 - A revenue model for the Legislative Fiscal Analyst's office.
 - Projections for river basin studies and Department of Health.
5. Redesigned (and renamed) the MFP to allow for county-specific projections of the economy by means of the Montana Alternative Simulation System (MASS), and began utilization of the model in the 208 Water Quality Planning Study.
6. Designed and utilized numerous computer programs for various agencies:
 - A groundwater quality program merging the records of 3 agencies.
 - A personnel accounting system for the Department of Fish and Game.
 - A program for the use of the Legislative Auditor in program auditing.
 - A Mortgage Portfolio Accounting System program for the Housing agency.
 - A statistical sampling program for use of Local Government Services Division.
 - A Native American Talent Bank.
 - A program for processing the League of Cities and Towns questionnaire.
 - An analytical model for determining least-cost state travel, with cost matrices.
 - A program for analysis of the Fort Belknap housing survey.
7. Utilized its Geo-Data computer mapping system and information files for:
 - Soils Data Interpretation project, beginning with sample areas in Montana and North Dakota.

PROGRAM BENEFITS: (continued)

- Federal coal subsurface minerals ownership and lease maps.
- Township and section maps for counties, storing Department of Revenue data.
- Federal ownership maps.
- Water well location maps for 19,000 sampled wells in the state.
- Border Grizzly Project animal location maps.
- 8. For the state and the Bureau of Census, in preparation for the 1980 Census, began census enumeration district redefinition.
- 9. Coordinated the work of the Montana Map Advisory Committee.
- 10. Utilized a computer Composite Mapping System for determination of optimum location of units of the magnetohydrodynamics project in Butte.
- 11. Computed the quarterly distributions of coal tax funds to counties, for county planning purposes.

Although thousands of individual questions from the "general public" are answered by this Division each year, most of the benefits from the program come to the public indirectly. They come through benefits to state departments and local governments in the form of increased understanding, and better, more accurate, more current, and more immediately available information. They result from better methods, faster and less expensive processing of information, and the availability of data in better and more understandable, more usable form.

SPECIAL PROJECTS PROGRAM Disbursements \$46,017

PROGRAM DESCRIPTION: The Special Projects Program was established to administer and distribute Federal Disaster Relief Funds to 24 Montana communities and 279 applicants affected by the 1975 spring floods that crippled the state. Funds were received from the Federal Disaster Assistance Administration, U.S. Department of Housing and Urban Development in the amount of \$525,112 in Fiscal Year 1976. From this, \$513,364 was distributed directly to local communities for flood disaster relief and recovery. Disbursements in the amount of \$46,017 in Fiscal Year 1977 resulted from a legislative supplemental appropriation to provide the Federal Disaster Assistance Administration with the required state match.

HOUSING PROGRAM Disbursements \$87,530

PROGRAM DESCRIPTION: The Housing Program was established to act as a state housing authority to promote equal, fair, and open housing practices within the state, and provide statewide assistance to local governments, low-income citizens, and minorities in the area of residential housing. Through Chapter 163, Laws of 1977, the 45th Legislature transferred the functions and administration of the Board of HOusing to the Department of Administration. The planning functions relating to housing were transferred to the DCA Planning Division effective July 1, 1977.

BOARD OF PUBLIC EDUCATION Disbursements \$31,435

PROGRAM DESCRIPTION: The Board of Public Education is a seven-member lay board appointed by the Governor. The Board is charged with the constitutional authority of exercising "general supervision over the public school system." The Board is also designated by statute as the "governing board of the State of Montana for vocational education," as well as being the governing board for the Montana School for the Deaf and Blind.

PROGRAM BENEFITS:

The Board of Public Education provides for lay oversight of educational governance of education in Montana.

SCHOOL FOR THE DEAF AND THE BLIND

AGENCY DESCRIPTION:

As per Section 80-103, R.C.M. 1947, the Montana State School for the Deaf and the Blind shall be a residential and boarding school for children and adolescents who are deaf or blind, or whose hearing or sight is so defective that they cannot be successfully taught, and for such reason are unable to receive a sufficient or proper education in the public schools of the state. The object and purpose of this school shall be to furnish and provide, by the use of specialized methods and systems, an ordinary public school education and to teach such trades and vocations as will enable children attending this school to become independent and self-sustaining citizens.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

Persons hired on staff at this agency are selected in accordance with professional practices and standards within the specialized fields. This agency has, in all areas, hearing handicapped and visually impaired employees at varying levels of responsibility. We are an equal opportunity employer.

Student population is on a referral basis, and, therefore, students are accepted on need for educational programming. This does not relate to race, color, creed or secondary handicapping conditions.

ADMINISTRATION PROGRAM Disbursements \$96,279

PROGRAM DESCRIPTION: This segment of our agency is designed to function as our business operation in terms of purchasing, accounting, personnel, and management of the business affairs of this agency.

PROGRAM BENEFITS:

Through agency initiated cost controls, energy conservation, personnel policies, plus Montana State policy guidelines, the Administration Program is an orderly operation oriented to maintaining and improving fiscal accountability with maximum efficiency.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

One additional administrative aide (1.00 FTE) is needed.

GENERAL SERVICES PROGRAM Disbursements \$129,954

PROGRAM DESCRIPTION: General Services is our buildings and grounds and maintenance program for the 18½ acre campus.

PROGRAM BENEFITS:

Buildings and grounds are being maintained adequately. We are in the process of finishing a roofing project as well as painting our residential dormitory building by contract. The Office of Architecture and Engineering has provided excellent help with this project. We were able to expand our parking lot east of the education building, gravel and install parking bumpers on our dormitory parking lot, and gravel and install bumpers for parking near our north wing. Four men make up our repair and maintenance staff during the school year. College work-study students are hired for summer maintenance of the campus.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The following items are recommended:

1. Remodel food services area and install air conditioning.
2. Install temperature control in food storage area.
3. Pave dormitory and north wing parking lots.
4. Increase size of campus storage area.
5. Insulate, paint and repair Weyer houses.
6. Questionable use of Weyer garage for storage.

EDUCATION PROGRAM Disbursements \$866,244

PROGRAM DESCRIPTION: This Program exists to provide an education for children with a hearing or sight loss which presents an undue handicap for them to achieve their educational goal in their regular hometown public or private school.

PROGRAM BENEFITS:

The past school year has seen significant growth in our educational programs, both in quality and quantity. Our educational services to the handicapped children of Montana are undergoing changes due to P.L. 94-142 and also due to the challenge of multiple-handicapping disabilities which are becoming increasingly evident.

With a professional staff of 59.88 FTEs, we are able to provide adequate services to 317 hearing and visually impaired children statewide.

PROGRAM BENEFITS: (continued)

Educational services at our residential and day school in Great Falls have been strengthened, modernized, and revitalized by additions of competent professional staff and financing. To compliment and supplement these "in-house" services, we have developed a variety of services on a statewide basis with and through our regional consultants stationed in Billings, Bozeman, Missoula, and Great Falls. Also, a statewide program, P.I.P. (Parent-Infant Program) for hearing handicapped babies developed from serving 2 or 3 children to serving 21 babies in their homes. Supplementary federal funds, under the Elementary and Secondary Education Act, Title I-89-313, have been effective in providing tools, equipment and personnel for these services.

More services to more children in Great Falls and statewide sums up our educational program in terms of benefits to the state and students and parents of handicapped children.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The following items are recommended:

1. Remodel small gym.
2. Replace roof on south vocational education wing.
3. Replace carpet in education building.
4. Replace roof over electric panel in education building.
5. Install humidifier in education building.

CARE AND CUSTODY PROGRAM Disbursements \$316,973

PROGRAM DESCRIPTION: This Program exists to provide dormitory residential care for children in attendance at this school.

The responsibilities of this program are:

1. Control, guidance, and supervision of dormitory and housing needs for our children in residence.
2. Food and diet service for all our children.
3. Health care.
4. Recreation and socialization.
5. Supervision of clothing, laundry and linens.
6. General living skills necessary and important for the handicapped children we serve.
7. Guidance in good habits and constructive use of leisure time.
8. Providing spiritual services for residential students when desired by parents in the church of their choice.

Child Care and Guidance is under the immediate supervision of our director of Child Care Services. We have three live-in persons during the night time. All of our people work 40 hour shifts or less to do our work on a 24 hour a day basis, 7 days a week.

PROGRAM BENEFITS:

The children we have in residence are well cared for by 26.53 FTEs who are very conscientious and have great empathy for children. Caring for children on a 24 hour basis, day after day for nine months, is a gravely responsible task which is complicated by the fact that we have children from 2½ years of age through 19 years of age, both boys and girls. Having this wide age range with all housed in one structure further complicates the situation. Blind and deaf children are housed within one facility and attempting to find staff to work with both is difficult.

The diet of our children is adequate and nutritious. Our school nurse is immediate supervisor for food services and has helped our kitchen staff prepare nutritious food for our children.

Our efforts to improve our capacity and ability to accomplish all of our objectives for this program through hiring practices and in-service training have proven most satisfactory. The coordination between residential living and the educational program has been most successful.

This Program has provided a necessary service to parents of these handicapped children in Montana, who, through Child Study Teams recommendation, request their child to be served in residence. This past year demonstrates an effort on the part of our staff to provide these children parenting service at a high level. Complaints were at a minimum for the year and no gross complaints were brought forth by the parents.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The following items are recommended:

1. Replace carpet in dormitory.
2. Install elevator or lift for barrier free building.
3. Update infirmary beds, closets, and tables.

MONTANA ARTS COUNCIL

AGENCY DESCRIPTION:

The Montana Arts Council exists to encourage the expansion of opportunities for all Montana citizens to create, participate in, and appreciate the arts, regardless of age, sex, race, income, place of residence, or physical condition.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The Montana Arts Council has required all sub-grantees to provide written agreement to conform to Title VI of the Civil Rights Act of 1964 and has acquired the services of a qualified Native American to assess the arts needs of our Native American communities. The Council maintains a listing of qualified minorities for appointment to the Council and seeks to support non-profit organizations which have identified special cultural needs of minority groups.

PROMOTION OF THE ARTS PROGRAM Disbursements \$418,114

PROGRAM DESCRIPTION: See Agency Description.

PROGRAM BENEFITS:

The Montana Arts Council has provided responses to over 4,000 requests for assistance and supplied grants to 220 specific arts projects. We have provided 110 schools with the services of 28 artists involving 27,000 students. We have produced professional television programming for a monthly program on the arts and creative Montanans. We have provided through grant funds the services of special personnel to assist Native American communities and small towns of 3,000 or less population. Legislation was drafted and adopted to begin a systematic assessment of the cultural needs of Montana citizens as the basis for a state policy on the arts and subsequent long-range planning.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The Montana Arts Council has historically generated six new dollars for every state General Fund dollar it receives. Present budgeting procedures have no evident way of equating the proportional loss or gain of new dollars based on General Fund commitments. If such a procedure were initiated, considerable benefits could accrue to our constituency and the state's economy.

LIBRARY COMMISSION

AGENCY DESCRIPTION:

The statutory authority for the Montana State Library Commission is contained in Title 44, Chapter 1, R.C.M. 1947. The State Library Commission is responsible for maintaining the state library, providing assistance to public libraries, furnishing library informational services to state agencies, developing standards for public libraries, requiring certification of librarians and distributing state documents to depository libraries.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The Montana State Library Affirmative Action Plan, approved by the Equal Employment Opportunity Bureau, Department of Administration, continue in effect for the second year with attention paid to reaching the stated goals.

GENERAL LIBRARY SERVICES PROGRAM Disbursements \$185,861

PROGRAM DESCRIPTION: The General Library Services Program provides assistance to public libraries and federations in order to coordinate library development throughout the state, and provides library services for state agencies.

PROGRAM BENEFITS:

The delivery of a superior level of library service was available through increased membership in federations.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

A larger percentage of Title I, LSCA funds should be spent for library development in local areas to strengthen public libraries with inadequate service.

LIBRARY NETWORKS PROGRAM Disbursements \$85,167

PROGRAM DESCRIPTION: The Program provides Montana residents with a network which allows access to bibliographic information and to materials in-state and out-of-state through interlibrary loan and through sharing of resources.

PROGRAM BENEFITS:

This Program provides Montanans with faster, more comprehensive delivery of information and more efficient access to information services through the Montana Information Network and Exchange.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

A larger percentage of Title I and Title III, LSCA funds should be spent to give libraries incentives for sharing resources and to develop the state's interlibrary loan network. Title III, LSCA funds are specifically designed to encourage cooperation among all types of libraries - public, academic, school and special.

INSTITUTIONAL LIBRARY SERVICES PROGRAM. Disbursements \$89,753

PROGRAM DESCRIPTION: The Institutional Library Services Program serves the residents and inmates of various Montana state institutions.

PROGRAM BENEFITS:

In 1977 Montana State Library gave larger LSCA grants to public libraries serving state institutions. Montana State Library made an LSCA grant to Montana State Prison to purchase required legal materials. Expanded reference service was made available to employees of Montana state institutions.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Montana State Library's Institutional Library Services Program needs to be reviewed by the Department of Institutions to assure quality library service to the residents.

LIBRARY SERVICE FOR THE BLIND AND PHYSICALLY

HANDICAPPED PROGRAM Disbursements \$101,701

PROGRAM DESCRIPTION: This Program provides blind and physically handicapped readers access, directly or through public libraries, to special informational resources.

PROGRAM BENEFITS:

This Program served approximately 500 more blind and physically handicapped Montanans than were served in the previous year.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The addition to the Montana State Library staff of a coordinator of volunteer services for the Division for the Blind and Physically Handicapped would greatly improve the Program.

ADMINISTRATION PROGRAM Disbursements \$70,227

PROGRAM DESCRIPTION: The Administration Program provides centralized administration and support for the other State Library Commission programs.

PROGRAM BENEFITS:

Within policies developed by the Montana State Library Commission, the Program develops plans for better library service for all Montanans.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The administration of public library programs needs strengthening with more consultative services.

HISTORICAL SOCIETY**AGENCY DESCRIPTION:**

The Montana Historical Society is responsible "for the use, learning, culture and enjoyment of the citizens of the state and for the preservation of historical art, artifacts, documents and records and the custody, maintenance and operation of the historical and miscellaneous library." It was established in 1865 under the jurisdiction of the Historical Society as independent of any other museum or library owned, maintained or operated by the State of Montana, "to preserve the history of Montana for its people and the people of the world."

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION:

All guidelines and policies established by the E.E.O. and other regulatory agencies have been adhered to. The Montana Historical Society has appointed an E.E.O. officer, and national

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION: (continued)

advertising is used to state our antidiscriminatory practices. All open positions are advertised with all practical sources, and all qualified applicants are considered for employment. All present employees are informed regarding their rights and privileges, and the E.E.O. officer is available to help them.

ADMINISTRATION PROGRAM Disbursements \$90,694

PROGRAM DESCRIPTION: The Director and staff administer five programs, two sub-programs, and 30 to 35 employees in response to guidelines established by the Board of Trustees. Activities include public relations, correspondence, personnel, payroll, board meetings, budgeting, financial reporting, fund raising, business management and accounting.

PROGRAM BENEFITS:

During FY 1977, Program benefits included:

1. Negotiated for private collections of photographs, art, and artifacts, with estimated value in excess of five million dollars.
2. Made two to three thousand personal contacts, and public visitation was in excess of one hundred thousand.
3. Participated in history conference to expand the emphasis on historical education.
4. Initiated Bridger-Hawken rifle reproduction sales to generate funds for acquisition of C. M. Russell art.
5. Established modern and accurate business policy and procedure to provide complete financial reports and analysis.
6. Negotiated for transfer of Historical Sites Program from Department of Fish and Game.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The Program recommends:

1. The addition of an employee to handle payroll and personnel duties. The duties associated with personnel management have expanded immensely in the last few years. This would centralize E.E.O. and other regulatory information and aid with employee disputes.
2. The Director should be allowed an expense account when in pursuit of collections, documents, and art acquisitions. The Director incurs many expenses while in the process of acquiring valuable collections and this expense should be reimbursed.
3. Funding must continue to increase for insurance premiums as collection value increases.
4. The addition of technical accounting personnel, and upgrading of business management employees to provide strong, efficient business management.

LIBRARY AND ARCHIVES PROGRAM Disbursements \$174,893

PROGRAM DESCRIPTION: The Library and Archives Program was created by the Second Territorial Legislative Assembly in 1865 to acquire and preserve materials documenting the history of Montana, the Pacific Northwest, and the Northern Plains, thus making them available for private and governmental research. Such materials include books, pamphlets, newspapers, maps, diaries, business records, correspondence, and photographs. Library-Archives staff also work to further study and learning in history, art and culture.

PROGRAM BENEFITS:

FY 77 benefits provided were:

1. Staff members produced or cooperated in the publication of several books and articles on aspects of Montana history.
2. Over two thousand cubic feet of books, pamphlets, newspapers and private and public records were acquired and preserved for future research use.
3. The Library-Archives staff planned and produced the highly successful 1976 Montana History Conference which attracted 250 attendees throughout the state.
4. Planning and preparations were completed for the separation of the Archives from the Program to function as an individual operation of the Society.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

As of July 1, 1977, the Archives will operate as a separate program, with responsibility for acquiring, processing and preserving both state government records and private manuscript materials. This Program must obtain the necessary support to adequately cover the state in its collection efforts to insure the preservation of the documentation of Montana's past. Increased travel funding for solicitation of donations is, therefore, a high priority.

The Library's most serious problem is the continuation of efforts to microfilm state newspapers now in its care. This activity has lapsed seriously, and increased fiscal support must become available to complete filming of the large backlog of newspapers which receive heavy use and are rapidly deteriorating.

MUSEUM AND GALLERIES PROGRAM Disbursements \$99,906

PROGRAM DESCRIPTION: The Museum and Galleries Program functions to preserve and collect artifacts of Montana history, and to educate the public through creative, cultural and historical programs dealing with the Northwest. The museum serves over 160,000 visitors each year, and an additional 6,500 school children.

PROGRAM BENEFITS:

In addition to the operation of the formal museum, "Territory Junction", and the galleries, we can list the following public improvements for 1977:

1. Seven permanent exhibits were cleaned, stabilized and reorganized.
2. Two new exhibits were constructed.

PROGRAM BENEFITS: (continued)

3. Redesigned and remodeled the inner room of the C. M. Russell Gallery.
4. Eleven different shows were presented in the Poindexter Gallery.
5. A new bronze display case for the lobby was designed and constructed.
6. Eighteen new collections were received from donors.
7. Approximately 600 information requests were answered.
8. Renegotiated contract for operation of Libby Dam Visitors Center.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Additional staff is needed to handle information requests, cataloging of collections, and maintenance of current exhibits.

We are in critical need of storage space for collections that is clean, secure and conducive to preservation.

Many items, including C. M. Russell watercolors, are in desperate need of conservation and stabilization.

PUBLICATIONS PROGRAM Disbursements \$121,869

PROGRAM DESCRIPTION: The Publications Program of the Historical Society provides the quarterly journal (*Montana, the magazine of Western History*), a quarterly newsletter (*The Montana Post*), and various historical and promotional materials. The magazine has been published continuously since 1951 and reaches an audience of over 11,000 subscribers in all 50 states and many foreign countries. The membership fee of \$10.00 per year and \$18.00 for two years brings both the journal and newsletter by direct mail. The magazine is also available on many newsstands.

PROGRAM BENEFITS:

Program benefits include the following:

1. Gained more than 1,000 new subscriber members from October, 1976 to August, 1977.
2. Edited and designed 64 page monograph, "Montana As It Was," a compilation of a series of articles published in *Montana, the magazine of Western History*, and written by Professors Michael Malone and Richard Roeder of Montana State University in commemoration of the Bicentennial observances in Montana.
3. Created in-house brochures for the Society, specifically a give-away information brochure on the Society's activities, and a Christmas gift brochure for the Merchandise Department.
4. Published four issues of *Montana, the magazine of Western History*.
5. Published four issues (enlarged format) of *The Montana Post*, newsletter of the Montana Historical Society.
6. Wrote supporting text for *Charles M. Russell*, a heavily illustrated paperback published by Ballantine Books of New York.
7. Prepared text and designed and produced program materials for the Fourth Annual Montana History Conference to be held in Helena, in November, 1977.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

In 1975 we initiated a promotional campaign, which included a public service television spot as well as ads in nationally read media, resulting in a significant growth in readership and membership in the Society.

We still need the services of one employee to help prepare promotions in-house, but failing that, we recommend continuance of the promotional campaign on a contracted services basis to produce at least one new and fresh public service appeal, and continue, at least on a partial scale, the insertion of ads in selected media. Results have shown that *Montana, the magazine of Western History* appeals to many persons with an interest in western history, if they have an opportunity to hear of its existence.

MERCHANDISE PROGRAM Disbursements \$366,763

PROGRAM DESCRIPTION: Program objectives are to provide educational and artistic products which support the story the museum depicts, thereby offering visitors an opportunity to increase their knowledge of Montana's history and artistic achievements, and to increase the contribution of the Historical Society to the statewide community as well as those who visit from other states and countries.

PROGRAM BENEFITS:

Program benefits in FY 1977 include:

1. Held five art shows and sales, with various contemporary artists represented and presented to the general public.
2. Sent promotions for merchandise to all subscribers of *Montana, the magazine of Western History*.
3. Held inventory reduction sale of Russell prints, and mailed special promotion on books to schools and libraries. Also mailed a special promotion on paperback books.
4. Provided over ten thousand dollars in support to Museum and Galleries Program.
5. Served an estimated 160,000 visitors to the Montana Historical Society.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Since all the funds for this Program are in a revolving fund and must be self-generated, it is recommended that the ceiling on spending authority be eliminated. It is unnecessary and is curtailing the activities of the Program.

ADVISORY COUNCIL FOR VOCATIONAL EDUCATION

AGENCY DESCRIPTION:

The Council, created in 1965 by executive letter and in compliance with federal legislation for vocational education, is responsible for advising the Board of Public Education on several specific matters dealing with vocational education, evaluating vocational education programs in the state, and assisting local advisory councils.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The Council does not discriminate in its hiring practices. When vacancies exist, they are advertised and all applications are considered.

ADMINISTRATION PROGRAM Disbursements \$64,295

PROGRAM DESCRIPTION: See Agency Description.

PROGRAM BENEFITS:

The Council provides the Board of Public Education with advice on the state administration of vocational education relative to needs, effectiveness, quality and quantity. This advice is provided through various means and is an ongoing responsibility of the Council.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

A more closely coordinated effort of the Council with the multitude of agencies interested in and/or involved in manpower type programs would be most beneficial to the effectiveness of the Council. To accomplish this will require more resources than the Council presently has and a continued maximum use of the present resources. The benefits to be derived would consist of a greater program evaluation of local and state vocational programs, more coordination of various manpower research, training and reporting, as well as a unified data base regarding vocational education information.

BOARD OF REGENTS OF HIGHER EDUCATION

AGENCY DESCRIPTION:

The Board of Regents is established in Article X of the Montana State Constitution to govern and control the Montana University System. This seven-member board has full power, responsibility and authority to supervise, coordinate, manage and control the Montana University System.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The Board of Regents of Higher Education established a nondiscrimination policy (Section 70 of the Policy and Procedures Manual) for the units of the Montana University System, requiring each institution to establish and maintain procedures to insure nondiscrimination. Inter-unit groups on affirmative action and the handicapped are working under the guidance of staff members from the Commissioner's Office to provide system-wide coordination.

GENERAL GOVERNANCE PROGRAM Disbursements \$18,498

PROGRAM DESCRIPTION: The objective of this Program is to carry out the legal responsibilities assigned the Regents by state statutes and the constitution.

PROGRAM BENEFITS:

The Program fulfills the constitutional intent of providing a separate governing body for the Montana University System.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Since the Regents govern the Montana University System through the establishment of policies and procedures, the current policy recodification effort should be completed and adequate resources provided to maintain an updated policy handbook.

INDIAN TEACHER TRAINING PROGRAM Disbursements \$240,000

PROGRAM DESCRIPTION: The Indian Teacher Training Program was established to account for the distribution of monies appropriated for Indian teacher training.

PROGRAM BENEFITS:

The Program provided for a concentrated effort to be made in establishing career opportunities for the Montana Indians.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The Program has been discontinued due to lack of financing.

COMMISSIONER OF HIGHER EDUCATION

AGENCY DESCRIPTION:

The Commissioner of Higher Education is the chief administrative officer of the Montana University System. The constitution provides that the Regents appoint the Commissioner and prescribe the powers and duties of the office. The Commissioner's responsibilities include the following:

AGENCY DESCRIPTION: (continued)

academic planning and curriculum review, budgetary planning and control, provision of legal services to campuses, facilities planning, establishment of labor negotiation policies and procedures, and coordination of community colleges in accordance with state law and Regent policies.

In addition, the Office of the Commissioner is the designated agency for the Federal 1202 Commission on Post-secondary Education. The Commissioner also administers several programs pertaining to student aid and the Community Services Program.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The Commissioner of Higher Education provides technical assistance and direction to the units' efforts to implement nondiscrimination policies and operates a grievance and appeals mechanism. The Commissioner is establishing an affirmative action plan and appeals and grievance procedures for his staff.

ADMINISTRATION PROGRAM Disbursements \$593,961

PROGRAM DESCRIPTION: The Administration Program provides academic planning and curriculum review; makes budgetary recommendations and provides for budgetary review; performs facilities planning and makes recommendations; sets policies and procedures relating to labor negotiations; maintains and provides legal services for the campuses; and coordinates Community Colleges in accordance with state law and Regent policies.

PROGRAM BENEFITS:

The Program provides the administrative arm of the Board of Regents so that the Regents can effect the management and control of the Montana University System.

RECOMMENDATION FOR PROGRAM IMPROVEMENT:

Funds will be required to facilitate the access to programs and facilities by handicapped persons under Federal Section 504 regulations and to insure equal opportunity under Title IX regulations particularly.

STUDENT SERVICES PROGRAM Disbursements \$1,269,927

PROGRAM DESCRIPTION: The Student Services Program consists of the Western Interstate Commission on Higher Education (WICHE) Student Exchange Program which provides educational opportunity for Montana students in the fields of medicine, dentistry, veterinary medicine, optometry, physical therapy, occupational therapy, podiatry and dental hygiene; the cooperative dental education agreement with the University of Minnesota; the State Student Incentive Grant (SSIG) program which provides loan funds to needy students - 50 percent from federal funds and 50 percent matching state funds; and the NDSL federal student loan program which provides \$9 in federal matching funds for every \$1 of state funds.

PROGRAM BENEFITS:

The Program provides educational opportunity for Montana students in the health related fields which are not available within the State of Montana.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The state could consider expanding the WICHE fields to include public health, dietician internship, and osteopathic medicine.

COMMUNITY COLLEGE ASSISTANCE PROGRAM Disbursements \$1,529,037

PROGRAM DESCRIPTION: Funds are appropriated by the Legislature for the support of Montana's three community colleges. These funds are appropriated to the Commissioner's Office for redistribution to the colleges. Community College budgets are reviewed by the Regents to determine the amount to be budgeted from state funds.

PROGRAM BENEFITS:

The Program provides for state support for the Community College districts.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The Legislature has passed a resolution providing for the recodification of community college laws. The effort should clarify the confusion arising over conflicting and overlapping state laws.

COMMUNITY SERVICE PROGRAM Disbursements \$32,501

PROGRAM DESCRIPTION: This federally sponsored Program provides special grants to the various post-secondary campuses which are oriented to community service.

PROGRAM BENEFITS:

The Program provides added financial resources for local community services programs which the state has been unable to finance.

UNIVERSITY OF MONTANA

AGENCY DESCRIPTION:

The University of Montana is a comprehensive institution of higher education. Its mission is to provide undergraduate and graduate education, research and public service for the people of Montana. This is accomplished through the College of Arts and Sciences and seven professional schools: Business, Education, Fine Arts, Forestry, Journalism, Pharmacy and Allied Health. Programs at the graduate and professional levels are rooted in the broadly based undergraduate programs in the liberal arts and sciences.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The University's commitment to nondiscrimination in employment and educational programs is ongoing. The Equal Opportunity Officer at the University of Montana oversees institutional efforts to effect the Freedom from Discrimination Act and to comply with federal nondiscrimination and affirmative action regulations. The Non-Academic EEO Committee and the Nondiscrimination Grievance Committee assist the Equal Opportunity Office in ensuring that the students, faculty and staff are not subjected to discriminatory practices.

INSTRUCTION PROGRAM Disbursements \$14,028,838

PROGRAM DESCRIPTION: This Program includes expenditures for all activities which are part of the institution's instruction program (credit and non-credit) and expenditures for departmental research and public service which are not separately budgeted.

PROGRAM BENEFITS:

The Program represents the basic undergraduate and graduate teaching mission of the University to an enrollment of 8,400 students. In addition, a comprehensive continuing education and extension program is provided to the people of the state.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The University is embarking upon a long-term program of comprehensive academic planning. The process will identify and build upon the many areas of quality and will continue to seek the operating and capital budgets necessary to implement the plans developed. Included will be funding of Continuing Education as part of the University's regular budget.

RESEARCH PROGRAM Disbursements \$2,278,766

PROGRAM DESCRIPTION: This Program supplements the Instruction Program in the area of graduate training. It also includes activities specifically organized to produce research outcomes and commissioned by an agency external to the institution or separately budgeted by an organizational unit within the institution.

PROGRAM BENEFITS:

Specialized research programs provide applied research capabilities for business, educational and social service agencies, and the general public.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The University is reviewing and revising its research related policies as a basis for the continuing development of the Research Program.

PUBLIC SERVICE PROGRAM Disbursements \$121,287

PROGRAM DESCRIPTION: Public Service expenditures include all funds budgeted specifically for public service and expended for activities established primarily to provide noninstructional services beneficial to groups external to the institution.

PROGRAM BENEFITS:

Various resources and unique capabilities existing within the University are made available to the public through this Program. Examples are the services of the Institute of Community Service and Research and the Sociolinguistics Newsletter.

ACADEMIC SUPPORT PROGRAM Disbursements \$3,173,361

PROGRAM DESCRIPTION: This Program includes funds expended for activities carried out to provide direct support services to one of the institution's three primary programs: instruction, research, public service.

PROGRAM BENEFITS:

Activities in this Program are an integral part of the University's basic mission and thus serves those who benefit from the University itself. The library, audio-visual services and the academic administrative structure are examples of activity in this Program.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The library acquisition budget should be expanded. Also, both the University library and the Law library must be completed and equipped.

STUDENT SERVICES PROGRAM Disbursements \$1,272,241

PROGRAM DESCRIPTION: This Program includes admissions and records and activities whose primary purpose is to contribute to students' emotional and physical well-being and to their intellectual, cultural, and social development outside the context of the formal instructional program.

PROGRAM BENEFITS:

Activities within this Program are of direct benefit to the students. Provided are the means to enroll in the University, financial aid, and recreational, counseling and vocational services.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

There is a need to replace an antiquated registration system and to provide systems improvements for financial aid operations. Improved recreational and athletic facilities are required.

INSTITUTIONAL SUPPORT PROGRAM Disbursements \$1,559,606

PROGRAM DESCRIPTION: This Program includes activities whose primary purpose is to provide operational support for the day-to-day functioning of the institution, excluding expenditures for physical plant operations and allocations made to auxiliary enterprises and hospitals.

PROGRAM BENEFITS:

The benefits are both internal and external. Services provided by the President's Office and such activities as purchasing, telephone and accounting make it possible for the institution to function. These activities also provide review and controls to assure proper expenditure of public monies.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

There is a need to implement new financial and operating systems.

OPERATIONS AND MAINTENANCE OF PLANT PROGRAM . . . Disbursements \$1,971,697

PROGRAM DESCRIPTION: The Program includes the operations and maintenance of the physical plant, net of amounts charged to auxiliary enterprises.

PROGRAM BENEFITS:

This activity protects the investment in University physical facilities and is of direct support to the other program areas of the University.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

There is a need to continue efforts of energy conservation. Also, funds are required to meet federally mandated facility improvements for reasons of safety and access by the handicapped.

SCHOLARSHIPS AND FELLOWSHIPS PROGRAM Disbursements \$3,248,266

PROGRAM DESCRIPTION: The Program provides direct support to students enrolled in course work.

PROGRAM BENEFITS:

The availability of this support helps students to attend the University.

MONTANA STATE UNIVERSITY

AGENCY DESCRIPTION:

Montana State University is the land-grant university for the State of Montana. As one of the six coordinated units of the Montana University System, Montana State University provides undergraduate and graduate educational opportunities in agriculture, engineering, the sciences, humanities, and business. Additionally, Montana State University conducts research in areas of interest to the state and nation and provides public service through its facilities and staff.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

Montana State University in this fiscal year has conducted a thorough review and revision of procedures and practices and now complies thoroughly with state and federal regulations regarding discrimination. We have an active and successful affirmative action program.

INSTRUCTION PROGRAM	Disbursements \$13,238,111
RESEARCH PROGRAM	Disbursements \$ 5,024,032
PUBLIC SERVICE PROGRAM	Disbursements \$ 388,274
ACADEMIC SUPPORT PROGRAM	Disbursements \$ 3,367,365
STUDENT SERVICES PROGRAM	Disbursements \$ 2,236,704
INSTITUTIONAL SUPPORT	Disbursements \$ 1,582,379
OPERATIONS AND MAINTENANCE OF PLANT PROGRAM . . .	Disbursements \$ 2,048,488
WAMI PROGRAM	Disbursements \$ 198,502
SCHOLARSHIPS AND FELLOWSHIPS PROGRAM	Disbursements \$ 1,375,441

PROGRAM DESCRIPTION: All of these programs are required to support the overall mission of being Montana's land-grant university providing educational programs, research and public service.

PROGRAM BENEFITS:

Montana State University programs must be considered as a whole. Each of the above programs contribute vitally to our mission as a land-grant university, the end product being students who graduate or leave better prepared to be productive citizens of the state and nation, research that pays off, and public service programs that enrich our citizenry. Montana State University had 9,340 students this year, the largest enrollment in the state. Montana State University graduated 1,686, including 30 doctorates and 200 masters' degrees. In 1976-77, Montana State University's grant and contract research totaled nearly \$7,000,000, including valuable research on animal diseases, grain productivity and disease resistance, water research, land reclamation research, and energy research, to include one of the nation's largest efforts in magnetohydrodynamics. In the last year, Montana State University was chosen by 44 percent of all Montana first-quarter freshmen attending college, and 54.7 percent of the Montana high school designated honor scholarship recipients.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Montana State University's nursing program requires several quarters of instruction off campus in hospital clinical facilities around the state. In these clinics, student/faculty ratios cannot exceed 8/1, yet Montana State University has been funded across the board at a 19/1 ratio. The Nursing School has grown to over 400 students and serious funding problems exist. To follow the accreditation committee guidelines for a student/faculty ratio of 8/1 with the present enrollment would cost approximately \$675,000.

A funding procedure needs to be formalized whereby institutions such as Montana State University, whose enrollments consistently exceed the projections that determine funding, may receive the additional funding required to obtain appropriate resources. The additional tuition income only meets about 25 percent of the added costs to the unit and we consistently sacrifice capital and research monies in order to handle the classroom needs of several hundred additional students.

A clear statement of the role of each of the six units in the Montana University System must be established. A comprehensive evaluation of each campus, and of each program within the campus, is essential in order to establish a rational system of allocating resources and new curricular offerings.

MONTANA COLLEGE OF MINERAL SCIENCE AND TECHNOLOGY

AGENCY DESCRIPTION:

The Montana College of Mineral Science and Technology was established by state statute in 1893 as a four-year state college. It is provided for in Section 75-8401, 8403 and 8407, R.C.M. 1947.

Montana Tech's goals are to offer the highest possible quality post-secondary engineering and scientific education in the mineral and energy fields and related areas, to offer similar quality education in selected supportive liberal arts programs, to provide public and state services, and to engage in research.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

Montana Tech has reviewed and will continue to review its employment practices, admission policies and all other college policies and procedures to assure that it does not discriminate because of sex, age, race, physical or mental handicap, creed, religion, color or national origin.

Where we have found problems in discrimination, we have taken immediate corrective action in all cases within our financial capabilities.

INSTRUCTIONAL PROGRAM Disbursements \$1,210,627

PROGRAM DESCRIPTION: The objective of the Instructional Program is to provide educational activities directed primarily at the production of credits which satisfy the various curriculum requirements leading toward a post-secondary degree.

PROGRAM BENEFITS:

100 percent of the mining and engineering graduates of the class of 1977 were placed in industrial positions or were admitted to graduate schools.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Due to increased enrollment, additional faculty will be needed. Increased capital funding is necessary to maintain laboratories in which equipment is up-to-date in the engineering and basic science areas.

ACADEMIC SUPPORT PROGRAM Disbursements \$373,595

PROGRAM DESCRIPTION: This Program provides support services that are an integral part of the operations of one of the institution's three primary programs: instruction, research, and public service. It includes the retention, preservation, and display of materials and the provisions of services that directly assist the academic functions of the institution. This category includes libraries, museums and galleries, audio/visual services, academic administration and personnel development, and course and curriculum development.

PROGRAM BENEFITS:

The new library will be completed by February, 1978.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Additional funds are needed for book purchases and journals in implementing the new Society and Technology degree program. In faculty development, we need to implement a funded sabbatical program and explore the possibility of faculty exchange opportunities within the University System and across the country.

STUDENT SERVICES PROGRAM Disbursements \$296,122

PROGRAM DESCRIPTION: This Program includes admissions, registrar activities, and activities which contribute to students' emotional and physical well-being and to their intellectual, cultural, and social development outside the context of formal instruction program, such as counseling and career guidance, financial and administration, student admissions and records, and supplementary educational services.

The objectives are to assist in placement of graduates, expedite registration procedures, maintain student records, help students to obtain financial aid, and otherwise assist students in areas outside the formal instruction program.

PROGRAM BENEFITS:

The College increased enrollment from 1,097 students in the fall of 1976 to 1,190 in the fall of 1977. Since 1973, enrollment at the College has increased by 59 percent, from 749 students in the fall of 1973 to 1,190 students in the fall of 1977. Since 1973, enrollment has increased on an average annual compound basis by 12.23 percent.

Greater automation was used in the registrar-admission area because of expanded computer use.

New admission and registration procedures for evening and part-time students have been developed to limit the time and effort involved by these students to attend classes at the College.

A full-time counselor for the College has been added to help with the counseling and guidance of students with various concerns and problems and to initiate a retention program and study.

A full-time student activities coordinator has been added to initiate and develop student extra curricula activities.

Placement and starting salaries of the engineering graduates of the College have continued to be exceptional.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

A technician is needed in the registrar-admissions area to handle the increased demands associated with an expanding enrollment and to assist the Registrar-Director of Admissions with the increased duties and responsibilities of this program group.

A full-time foreign-student advisor is needed to handle the admissions and advising of the large per capita foreign student enrollment at the College.

INSTITUTIONAL SUPPORT PROGRAM Disbursements \$417,593

PROGRAM DESCRIPTION: This Program includes activities to improve the operational support for the day-to-day functioning of the institution, excluding activities of the Physical Plant Program but including executive and fiscal management, general administrative services, logistic services, and community relations. The objectives are to provide planning and executive direction; to provide and promote efficient administrative and logistical services; and to provide interface with local, state, regional and federal agencies.

PROGRAM BENEFITS:

The College made application and was successful in obtaining an Economic Development Administration grant in the amount of \$500,000 for construction of a needed auditorium.

PROGRAM BENEFITS: (continued)

The College worked on planning and financing to make possible the construction of a physical education facility which was originally approved by the Legislature in 1971.

Also, the College fully implemented the Statewide Budgeting and Accounting System and presently is involved in working with the University System in fully implementing this budgeting and accounting system.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

With increased enrollment and the addition of new federal programs, additional support staff is needed at all levels of the college operation. We have no full-time personnel officer and with the many problems of hiring, classification of college personnel, etc., this type of position is badly needed.

PHYSICAL PLANT PROGRAM Disbursements \$445,046

PROGRAM DESCRIPTION: This Program operates and maintains campus facilities. This Program includes custodial care, maintenance and remodeling of buildings, and up-keep of campus grounds and development of programs for future facilities.

PROGRAM BENEFITS:

A direct campus improvement project made available sidewalks, roadways, and landscaping. Also, the Program directed a sanitary sewer project to eliminate energy using pump stations and implemented a program to reduce energy consumption by adjusting heating equipment and removing excess light fixtures.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Additional funding is needed for repair of existing building roofs, insulation of existing facilities, one additional boiler due to campus growth, updating facilities to meet safety codes and a facility for Physical Plant shops and storage for the College and the Montana Bureau of Mines and Geology.

Additional personnel are needed to maintain buildings on campus.

SCHOLARSHIP AND FELLOWSHIP PROGRAM Disbursements \$203,816

PROGRAM DESCRIPTION: Scholarships include outright grants-in-aid, trainee stipends, tuition and fee waivers, and prizes to undergraduate students.

Fellowships include outright grants-in-aid and trainee stipends to graduate students.

PROGRAM BENEFITS:

The Program assisted numerous students who, if not for the scholarship aid, would have been unable to attend college.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Make available scholarship help to more needy and deserving students.

INDEPENDENT OPERATIONS PROGRAM

(Montana Bureau of Mines and Geology) Disbursements \$905,865

PROGRAM DESCRIPTION: The Independent Operations Program of the Montana Bureau of Mines and Geology is the only Montana agency working in the geological, mineral, mineral fuels, geothermal, hydrogeological, and geological hazard fields. The effort involves data collection and interpretation, both applied and basic research, and dissemination of data, data interpretation, and results of research to the public and state and federal agencies.

PROGRAM BENEFITS:

The Montana Bureau of Mines and Geology Operational Program serves and advises those Montana citizens working, involved, or interested in the mineral industry which (in total income from all products and processing) is now the state's number one industry. It is the state's official data collection and research agency in ground-water (hydrogeological) matters and, as such, advises and works with the Department of Natural Resources and Conservation. The Bureau has become the center for coal information and is systematically evaluating the state coal reserves. Finally, along with many other duties, the Bureau attempts to evaluate all potential geological hazards associated with subdivision proposals and works with numerous state and federal agencies in these and other endeavors.

The Bureau efforts in 1977 resulted in: (1) the handling of 5,133 letters of inquiry, plus the answering of innumerable inquiries by telephone and from visitors, and identifying approximately 380 mineral specimens, (2) conducted 53 museum tours for a total of 816 persons and registered over 9,000 persons on museum visits, (3) printed six new publications; thousands of these and older publications were sent to library depositories throughout the nation, (4) obtained federal funding for drilling and mapping of coal fields in eastern Montana, for study of saline seep problems in central and eastern Montana, for study of lead-zinc deposits in western Montana, for a baseline study of geothermal properties of mine waters, and for continued studies of the hydrogeological properties of coal mine spoils and coal bed aquifers, (5) distributed about 80 detailed analyses of hydrogeological and geological hazards on subdivisions, (6) visited many small mine operations, (7) analyzed 2,500 water and mineral samples and completed 22,107 elemental determinations, (8) mapped and described several mineral (talc) areas in southwestern Montana, and (9) worked with the Board of Oil and Gas Conservation and several landowner groups in resolving seismic shothole problems.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The Bureau suffers from chronic underfunding. An engineering (and environmental) geologist is needed to process subdivision proposals and to study geologic hazards and issue reports. Increased funding for ground-water investigations is vital to Montana and necessary for the Department of Natural Resources if it is to regulate artesian basins and other ground-water areas on the basis of data provided by the Bureau. Investigations of potential mineral resources in classified (wilderness) areas should be done so that areas of potential mineral production can be excluded or classified for exploration. Funding in the latter situation is apt to be on the order of \$100,000 per year, as University System graduate students and professors would be involved. Finally, a geological atlas should be put together to replace the outdated U.S. Geological Survey State Geological Map, and the Bureau should have at least a part-time metallurgist to provide basic advisory services to small miners who cannot ship their product without milling and concentration.

EASTERN MONTANA COLLEGE

AGENCY DESCRIPTION:

Eastern Montana College is one of six units of the Montana University System. The College offers programs in general education, liberal arts and sciences, undergraduate and graduate teacher education and professional and vocational programs. The College is committed to the value of lifelong learning and offers these experiences to persons of all ages.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The College has adopted the following policy statement and subscribes to it totally:

"Eastern Montana College is committed to a policy of equal opportunity in education, employment, and participation in all College programs and services. No person shall be excluded from participation in, be denied the benefits of, or be subjected to discrimination on the basis of race, color, sex, national origin, religion, physical or mental handicap, age, marital status, or political beliefs. This right shall be guaranteed to all students presently enrolled, students applying for admission, academic employees, non-academic employees, and applicants for employment at Eastern Montana College."

The statement of compliance for Equal Opportunity and Non-discrimination under Titles VI and VII of the Civil Rights Act of 1964 (as amended), Executive Order 11246 (as amended), Title IX of the Education Amendments of 1972, the Equal Pay Act (as amended) and Section 504 of the Rehabilitation Act of 1973, appears (or will appear) in all announcements, bulletins, application forms, student handbooks, catalogs and bulletins, and all other material used for recruitment of students and employees.

INSTRUCTION PROGRAM Disbursements \$3,889,446

PROGRAM DESCRIPTION: This is the primary program of the College and includes expenditures for all activities which are part of the institution's credit and non-credit course offerings. Also included are expenditures for departmental research and public service which are not separately budgeted.

PROGRAM BENEFITS:

The College enrolled 3,303 students during the fall quarter of 1976. During the 1976-77 academic year, a total of 5,471 individual students attended classes on the campus. In June, 1977, there were 483 graduates as follows:

Associate of Arts	43
Bachelor of Arts	19
Bachelor of Science	79
Bachelor of Science in Education	222
Bachelor of Science in Rehabilitation and Related Services	31
Master of Science	<u>94</u>
Total	<u>488</u>

Construction of a new addition and the renovation of the existing Science Building were well underway at yearend. It is hoped that this long awaited facility will be available during the winter quarter of 1978.

Funds for computer hardware for instructional purposes were graciously provided by the 1977 Legislature. The computer will be used for academic (and administrative) purposes during the 1977-78 academic year.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Broader program offerings need to be approved by the Board of Regents, e.g., business. The population and industrial growth of Billings and eastern Montana need to be recognized and a greater array of educational services need to be made accessible to the people of this area.

Since instructional costs per student continue to be at the lowest of the six member university system and instructional equipment is still not adequately maintained, an equitable budgeting method must be jointly agreed to by the Regents and the legislative and executive branches of government.

ORGANIZED RESEARCH PROGRAM Disbursements \$8,077

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Eastern Montana College is not authorized an Organized Research Program. Eastern's faculty has contributed significantly toward research but have had to rely on outside financing. Serious consideration should be given to Eastern's receiving state support for Organized Research in selected areas.

PUBLIC SERVICE PROGRAM Disbursements \$269,130

PROGRAM DESCRIPTION: All funds budgeted for Public Service are expended for activities established primarily to provide non-instructional services beneficial to groups external to the institution.

PROGRAM BENEFITS:

The Program assists the community and the state in community planning and development, urban planning, professional certification, natural resources, business, education, agriculture, industry, health and recreation.

The expenditure shown above is our share of the operation of the Eastern Elementary School - a laboratory school jointly operated by the College and School District No. 2.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

If Eastern Montana College is to be able to actively serve the community and the state, additional funds will be needed. Public Service is now being performed through the generosity of the faculty, staff, and the students in the giving of their leisure time. Generally, funds for this Program, when available, come from donations.

ACADEMIC SUPPORT PROGRAM Disbursements \$646,860

PROGRAM DESCRIPTION: The Program provides for activities carried out to provide direct support services to the agency's three primary programs, i.e., Instruction, Research, and Public Service.

PROGRAM BENEFITS:

The Program provides for the retention, preservation, and display of materials and the provision of service that directly assist the academic functions of the campus.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The "on-line joint circulation library system" proposed to be a cooperative venture with Montana State University and/or the entire system was not funded. It seems nonsensical to have each library in the system contain duplicative materials in all fields. While "on-line circulation systems" are expensive to implement, they are cost effective when analyzing the costs of building many complete libraries. "On-line" systems will greatly benefit users and students while cutting costs over a several year period.

STUDENT SERVICES PROGRAM Disbursements \$951,122

PROGRAM DESCRIPTION: The Program provides for the functions of admissions and student records and those activities whose primary purpose is to contribute to students' emotional and physical well being and to their intellectual, cultural, and social development outside the context of the classroom.

PROGRAM BENEFITS:

The Program assists students in attaining their educational goals through counseling, financial aid, and placement services, and promotes student activities as a supplement to college life as a means of developing a working relationship between students, faculty and staff.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Additional staffing is needed in the area of financial aid to assist in providing students with adequate financial counseling. Approximately 50 percent of our students are receiving some form of financial assistance. With the advent of additional federal regulations involving accountability and consumer protection and new programs (State Student Incentive Grants), the monitoring of these complex programs requires more staff with higher qualifications.

Placement of students upon graduation is becoming increasingly more difficult. Further attention needs to be focused on this vital area so that our customers - students - are satisfied with the investment for which they have worked so hard.

INSTITUTIONAL SUPPORT PROGRAM Disbursements \$782,347

The Program provides for activities whose primary purpose is to provide operational support for the day-to-day functioning of the institution, excluding expenditures for physical plant operations and allocations made to auxiliary enterprises.

PROGRAM BENEFITS:

The Program provides planning and executive direction; promotes efficient administrative and logistical services; and provides liaison with local, state, regional and federal agencies.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

A personnel office is needed to provide assistance to management and the staff. There are six labor union contracts to administer for non-academic staff in conjunction with the statewide wage and classification system, and one union contract for the faculty. Learning how to operate within the confines of each of these contracts and teaching others how is a time consuming and complicated task. There is no one on campus whose sole responsibility is personnel. In addition, monitoring all of the equal opportunity and non-discrimination issues requires time and local enforcement. The College is in the process of recruiting

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: (continued)

an equal employment opportunity officer as provided by legislative funding, who should be able to provide some relief on the latter area, but personnel problems will continue to exist.

External forces exerted by state and federal agencies on the administration continue to drain away talent hired primarily to manage the Instruction Program. The demands placed on these persons for information, the completion of surveys, forms, and reports need to be recognized and adequate staffing provided to handle these external demands.

OPERATION AND MAINTENANCE OF PLANT PROGRAM Disbursements \$889,921

PROGRAM DESCRIPTION: This Program provides for the operation and maintenance of the physical plant, net of the amounts charged to Auxiliary Enterprises.

PROGRAM BENEFITS:

The Program maintains the campus grounds and facilities in a manner that will provide services to the primary programs of the institution.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Operating costs of student financed buildings (Physical Education and Student Union Buildings) should not be taken from debt service accounts. The Physical Education Building is used primarily as an instructional and an athletic facility and, while those costs are recognized by the Legislature as being legitimate costs against appropriated funds, they did not appropriate funds for these operations.

SCHOLARSHIPS AND FELLOWSHIPS PROGRAM Disbursements \$371,421

PROGRAM DESCRIPTION: Funds are given in the form of outright grants to individuals enrolled in course work. Only expenditures from the current unrestricted funds group are included.

PROGRAM BENEFITS:

The Program provides a source of financial assistance to qualified students.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Certain legislatively mandated scholarships (e.g., Native Americans) cause a financial burden on units such as ours which have a high Indian enrollment. These legislated scholarships (fee waivers) should be reimbursed to those units.

NORTHERN MONTANA COLLEGE

AGENCY DESCRIPTION:

Northern Montana College exists to provide educational services to Montanans in 2-year, 4-year, and graduate degree programs. While in the main Northern Montana College serves the Hi-Line region students and public, it has a statewide mission to provide collegiate vocational-technical programs.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

In FY 1977, several advancements were made by Northern Montana College in the area of eliminating discrimination.

1. The athletic program was expanded for women and now nearly equals the men's program in staff, facilities and budgetary expenditures.
2. Employment practices have been improved by more extensive advertising in an effort to hire more women and minorities. This has resulted in the addition to the staff of Native American and women staff members.
3. The campus Affirmative Action Policy is being revised to ensure more equitable treatment of women and minorities.
4. In curricular development, a master's degree is being developed in concert with Eastern Montana College in vocational education/special education. This will help to prepare more students who can provide direct services to the handicapped.

INSTRUCTION PROGRAM Disbursements \$1,759,614

PROGRAM DESCRIPTION: This category includes expenditures for all activities which are part of the institution's Instruction Program (credit and non-credit) and expenditures for departmental research and public service which are not separately budgeted.

PROGRAM BENEFITS:

Several benefits accrued to the State of Montana by this Program. Reaffirmation of accreditation for Northern Montana College by the Northwest Association of Schools and Colleges was received in FY 1977. This means all undergraduate and graduate degree programs meet the commonly accepted higher education standards for such programs throughout the nation. Curricular revision was undertaken throughout the College and new degree programs were built by the faculty to offer more options for students at NMC. Graduate programs were added to the NMC Resident Center at Malmstrom Air Force Base. A process of replacing outdated and worn machinery was begun in the technical areas. This has helped to serve more students in the more contemporary atmosphere in which they will be employed.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

A constant need for the high-cost technical programs sustained by NMC is more capital. The additional support in this category by the Forty-Fifth Legislature was a great help; this will continue to be a high-ranking need. As the technical and business programs continue to grow, more staff will be needed; the current 16:1 student-faculty ratio will be adequate to staff these programs.

PUBLIC SERVICE PROGRAM Disbursements \$55,297

PROGRAM DESCRIPTION: This category includes all funds budgeted specifically for public service and expended for activities established primarily to provide non-instructional services beneficial to groups external to the institution.

PROGRAM BENEFITS:

Northern Montana College was involved in FY 1977 with several programs of public service. In addition to hosting many public groups on campus throughout the year, the continuation of activities like the Women's Symposium can be noted. Many extension courses throughout northern Montana were offered with the result that hundreds of Montanans received valuable instruction in their home areas.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Northern Montana College has one of the largest service regions in the United States for any four-year college. This necessitates larger than normal travel budgets for the offering of classes to Montana citizens throughout this region. In addition, an appropriation for the offering of vocational teacher training courses throughout Montana was ended a few years ago; this has placed severe strains on the budget of the College to continue to operate this statewide program. Unless these funds are restored, NMC will have to carefully re-evaluate this program.

ACADEMIC SUPPORT PROGRAM Disbursements \$441,886

PROGRAM DESCRIPTION: This category includes all funds expended for activities carried out to provide direct support services to one of the institution's three primary programs: Instruction, Research, Public Service.

PROGRAM BENEFITS:

The lack of a library building at Northern Montana College has not slowed our efforts at building a quality collection of print and nonprint materials for undergraduate and graduate students. Attention has been given to areas of library holdings which were considered less than adequate, and more audio-visual materials have been added. Some research support has been provided for faculty members which has resulted in regional data being collected and used by federal, state, and private agencies and companies.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The largest single improvement which could be made in this Program is the legislative appropriation for a library building. NMC remains the only 4-year institution of higher learning in the state without a library building.

STUDENT SERVICES PROGRAM Disbursements \$249,113

PROGRAM DESCRIPTION: This category includes all funds expended for admissions and records, and activities whose primary purpose is to contribute to students' emotional and physical well-being and to their intellectual, cultural, and social development outside the context of the formal instructional program.

PROGRAM BENEFITS:

Student activities have been increased this past year at Northern Montana College with the result that more students have been involved in them and student morale on campus has increased.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Student Services is an area that has seen great advancement in recent years throughout the nation. NMC could expand its services even more and has plans to accomplish that in FY 1978, through increased staff, increased activities, and increased support for the Program.

INSTITUTIONAL SUPPORT PROGRAM Disbursements \$294,630

PROGRAM DESCRIPTION: This category includes all funds expended for activities whose primary purpose is to provide operational support for the day-to-day functioning of the institution, excluding expenditures for physical plant operations and allocations made to auxiliary enterprises and hospitals.

PROGRAM BENEFITS:

We have embarked on a program of publishing more pamphlets and informative materials for prospective students at Northern Montana College. In addition, an attractive college bulletin of courses and requirements has been published for students and faculty. The office of public information has been expanded so that better and more information about NMC is available to the public.

PHYSICAL PLANT PROGRAM Disbursements \$423,596

PROGRAM DESCRIPTION: This category includes all expenditures for the operations and maintenance of the physical plant, net of amounts charged to auxiliary enterprises and hospitals.

PROGRAM BENEFITS:

Northern Montana College continually seeks to adequately maintain and update its facilities. This past year many improvements were made in the physical facilities of the campus, and more space heretofore used very little was made available for academic programs.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

More remodeling will have to be accomplished in the near future to make the campus even more energy efficient and to provide more classroom space.

SCHOLARSHIPS AND FELLOWSHIPS PROGRAM Disbursements \$172,195

PROGRAM DESCRIPTION: This category includes expenditures for funds given in the form of outright grants to individuals enrolled in course work. Only expenditures from the Current Funds group are included.

PROGRAM BENEFITS:

In this day of higher cost education, no college can have too much scholarship and financial assistance for students. The funds available in FY 1977 to Northern Montana College students were very helpful in making collegiate study possible for many.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The continuation and expansion of this Program will ensure the accessibility of higher education to more Montanans in a world that demands more and more knowledge for a satisfying life.

WESTERN MONTANA COLLEGE

AGENCY DESCRIPTION:

Western Montana College exists to serve the citizens of the state by providing high quality, individualized and personalized education for students who choose to attend.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

Western Montana College is an Equal Opportunity Employer. In filling open positions, we discriminate against no one on the basis of sex, color, creed or handicap and attempt to hire the best qualified person available for each job.

INSTRUCTION PROGRAM Disbursements \$801,218

PROGRAM DESCRIPTION: The Instruction Program is the heart of any small college. It exists to provide programs of instruction for students.

PROGRAM BENEFITS:

The public benefits from the Program through the education of students who choose to enter the College and their increased earning capacity.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Western Montana College should be authorized to offer a broader program base than presently exists. Broader program offerings would permit the College to serve more students, create a better mix of student interests within the student body and permit the College to grow slightly in size, thus creating a more efficient operating unit in terms of dollars spent per student served.

Western Montana College, along with other colleges and universities within the Montana University System, could offer better instructional programs if funding were available to provide compensation for instructional staff which was more favorably comparable with regional or national averages, thus permitting the hiring and retention of more qualified and capable professors.

ACADEMIC SUPPORT PROGRAM Disbursements \$153,872

PROGRAM DESCRIPTION: This Program exists in order to provide support absolutely essential to the operation of the College's instructional programs. The library and the registrar's office, without which a college cannot function, are examples.

PROGRAM BENEFITS:

A college cannot function without a library and a registrar's office; thus, to the extent that the College serves the public, these functions also serve.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Library holdings should be increased to a level closer to applicable standards.

STUDENT SERVICES PROGRAM Disbursements \$316,124

PROGRAM BENEFITS:

A college exists to serve students; it serves the public by serving students. Functions such as the student financial aid office, the placement office, and the office of the Dean of Students, serve the public to the extent that they are necessary functions in the operation of the College.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Through our integration efforts with the University of Montana, we will seek ways to improve the number and quality of services we can provide to students.

INSTITUTIONAL SUPPORT PROGRAM Disbursements \$164,054

PROGRAM BENEFITS:

A college cannot function without a president to administer or an office to conduct its business and fiscal affairs. To the extent that the College serves the public, these functions are essential.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Through our integration efforts with the University of Montana, we will seek ways to improve the efficiency of our business and fiscal operation.

OPERATION AND MAINTENANCE OF PLANT PROGRAM Disbursements \$422,212

PROGRAM DESCRIPTION: This category includes all expenditures for the operation and maintenance of the physical plant, net of amounts charged to auxiliary enterprises and hospitals.

PROGRAM BENEFITS:

A college cannot function without this Program's support.

SCHOLARSHIPS AND FELLOWSHIPS PROGRAM Disbursements \$83,690

PROGRAM DESCRIPTION: This represents the total amount of fee waivers, scholarships and fellowships granted by the institution in accordance with statute or Board of Regents policies. It does not represent income to the College.

PROGRAM BENEFITS:

These waivers, scholarships and fellowships assist many students to go to college who otherwise could not afford to attend.

MONTANA AGRICULTURAL EXPERIMENT STATION

AGENCY DESCRIPTION:

The Montana Agricultural Experiment Station was established by state statute "to conduct and promote studies, scientific investigations and experiments relating to agriculture natural resources and rural life, and to diffuse information thereby acquired among the people of Montana." The agricultural economy of Montana is highly dependent on an effective program of agricultural research if it is to remain a progressive and viable industry. The state agricultural experiment station funded by state and federal funds provides this program of agricultural research in concert with other state experiment stations and the U.S. Department of Agriculture.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

Montana State University, in both its employment and admissions policies, is in compliance with the Montana Human Rights Act (Title 64, Chapter 3, R.C.M. 1947). Activities over the past year to achieve compliance with the Human Rights Act and applicable federal legislation include:

1. Revision of recruitment and hiring procedures for both classified and professional employees, effective July 1, 1977.
2. Submission of workforce and utilization analyses, goals and timetables to the Department of Health, Education, and Welfare, July 29, 1977.
3. Ongoing dissemination of the University's non-discrimination policy and affirmative action commitment to prospective applicants for employment and admission, through appropriate official publications and advertising.
4. Internal dissemination of information on the University's equal opportunity and affirmative action policies, and designation of responsible employees for such matters.

Action of the Montana Agricultural Experiment Station is governed by Montana State University policy and activity as stated above. In addition, the Experiment Station's plan for Civil Rights Compliance Review has been found in compliance with Title VI of the Civil Rights Act of 1964 and implementing regulations.

ORGANIZED RESEARCH PROGRAM Disbursements \$4,413,679

PROGRAM DESCRIPTION: Organized Research is the major program of the Agricultural Experiment Station. All other programs are supportive of Organized Research and have no other role. The agency description thus becomes the description of this Program. The Program of Organized Research is conducted in ten departments and two laboratories on the Montana State University campus, at seven research centers and at numerous farms, ranches and other locations representing different geographic and climatic areas of the state. More than two hundred research projects involving over eighty scientist years and some three hundred support personnel were conducted over a wide array of problems affecting Montana's agriculture and agricultural resources.

PROGRAM BENEFITS:

Research has identified production practices which result in greater efficiency of production of plant and animal commodities. It has identified genetic sources of plant disease resistance and incorporated this resistance into plant varieties to reduce losses. It has identified causes of saline seep and is evaluating preventive practices. Control practices for weeds have been developed and efforts directed toward reducing costs of these controls. Cultural practices to reduce energy usage have been identified and studies are underway to evaluate long time effects of their practices. More efficient rations have been developed for livestock including improved nutrient value of local feeds. Vaccines for scours and diseases have been developed and improved. Significant research accomplishments on agricultural natural resources, soil,

PROGRAM BENEFITS: (continued)

water, and climate will aid in maintaining a quality environment. Many of the research results are highly applicable to small farm operations. Research in areas of economics, marketing, rural development, recreation, labor, reclamation, and conservation will yield further benefit to Montana's rural communities and the total population.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Needed program improvements fit the following categories: (1) increased technical support, (2) operation funds, (c) capital, (d) facilities, and (e) new programs. A request for a budget increase for technical support to increase effectiveness of our scientific staff in the amount of \$80,000 was removed from budget requests at an early stage of the 1977-79 budget process. Operational funds are becoming critical since the 1977-79 state approved budget effectively reduced funds from this category by not allowing for inflation and failing to allow for adequate staffing of approved positions. Capital is becoming increasingly acute since there is inadequate funding for nominal replacement (an increase amount of \$300,000 per year is needed). Additional facilities are needed at several locations with perhaps the most pressing need being greenhouse and research farm facilities for crop research at Bozeman with an estimated cost of about \$1,400,000. With the new and emerging problems facing Montana's agriculture there are continuing needs for new research programs. The following programs and indicated annual cost are currently needed if new information is to be available when needed in the state: animal disease immunology, \$80,000; range beef production, \$50,000; cropping system pathology, \$50,000; and crop management systems, \$60,000.

INSTITUTIONAL SUPPORT PROGRAM Disbursements \$868,408

PROGRAM DESCRIPTION: This category includes all funds expended for activities whose primary purpose is to provide operational support for the day-to-day functioning of the institution, excluding expenditures for physical plant operations.

PHYSICAL PLANT PROGRAM Disbursements \$102,230

PROGRAM DESCRIPTION: This category includes all expenditures of current funds for the operation and maintenance of physical plant. It does not include expenditures made from the institutional plant fund accounts. It includes all expenditures for operations established to provide services and maintenance related to campus grounds and facilities. It also includes utilities, property insurance, fire protection, and similar items, and provides for reimbursement to the University for provision of the services for the Montana Agricultural Experiment Station.

ACADEMIC SUPPORT PROGRAM Disbursements \$11,738

PROGRAM DESCRIPTION: This category includes all funds expended for activities carried out primarily to provide support services that are an integral part of the operation of one of the institution's three primary programs: Instruction, Research, and Public Service.

PROGRAM DESCRIPTION: (continued) It includes the retention, preservation, and display of materials and the provision of services that directly assist the academic functions of the institution.

COOPERATIVE EXTENSION SERVICE

AGENCY DESCRIPTION:

The Cooperative Extension Service, created in 1914, is provided for in Section 16-1904, R.C.M. 1947. Its role is educational. It disseminates and encourages practical use of knowledge gained from research performed at Montana State University.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

Recruitment and hiring procedures for classified and professional employees were revised to conform to Montana State University procedures, effective July 1, 1977.

PUBLIC SERVICE PROGRAM Disbursements \$2,380,379

PROGRAM DESCRIPTION: This Program exists to transmit knowledge from Montana State University and other locations of knowledge to Montana residents who are unable to attend academic classes, so they may use the information to improve efficiency of agricultural production and marketing and human resource development and family living. The Service also provides special nutrition programs for low income people and promotes a development program for Montana communities incorporating economic, natural, and human resources.

PROGRAM BENEFITS:

Farm and ranch operators, numbering 14,500, received agricultural and marketing information from 207,000 contacts with Extension personnel. A thousand community development leaders received training and another thousand received help with development projects from 83,000 contacts. Homemakers numbering 43,000 received home economics information from 184,000 contacts. Nearly 14,000 youth enrolled in 87,000 projects, led by 3,300 leaders. The nutrition program reached 10,000 youth. Total 4-H and youth contacts were 263,000.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

To adequately provide education on problems surfacing in Montana recently, the Service needs specialists in forestry, veterinary science, and small landowner problems. It needs additional resources for an expanded farm management program requested by farm operators and bankers. It needs five additional field agents requested by counties that are willing to provide their share of support.

INSTRUCTIONAL SUPPORT PROGRAM Disbursements \$495,183

PROGRAM DESCRIPTION: This Program exists to provide planning and executive direction, promote efficient administrative and logistical services, and provide interface with local, state, and federal agencies.

PROGRAM BENEFITS:

The benefit is the delivery of the public service educational programs desired by Montana people within the funding and legal constraints placed upon the Service.

OPERATION AND MAINTENANCE OF PHYSICAL PLANT PROGRAM
. Disbursements \$17,818

PROGRAM DESCRIPTION: This Program exists to operate and maintain the offices and capital equipment.

PROGRAM BENEFITS:

The benefit is the delivery of the public service educational programs.

BICENTENNIAL ADMINISTRATION Disbursements \$132,574

AGENCY DESCRIPTION:

The Montana Bicentennial Administration was created to administer the American Revolution Bicentennial Commemoration Program in Montana. The Program was terminated in January, 1977.

AGENCY DESCRIPTION:

The ultimate mission of the Department of Fish and Game is to preserve, protect, enhance, maintain and make available to present and future generations, Montana's wildlife, their habitat and the natural and cultural resources of aesthetic, scenic, historic, scientific and archaeological significance. The Department's statewide responsibility in service to wildlife and habitat preservation reaches back over 75 years to the establishment in 1901 of a state game warden and early departmental structure, although Montana's first game law was passed in 1869. Since 1965 the Department has also been responsible for the administration of the "State Parks System" and for the administration of the Federal Land and Water Conservation Fund in Montana.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The Department is in the process of developing an affirmative action plan.

An equal employment policy statement has been issued to all Department employees by the director.

All new employees are required to attend the orientation sessions provided by the Department of Administration.

For employment purposes we have established the procedure of listing all position announcements (in addition to Department personnel notification) with:

Employment Security Division
Placement Office, MSU and U of M
Women's Bureau, Labor and Industry
State Employment Office
Helena Indian Alliance

The Department also adheres to the state hiring policy disseminated by the Governor at his March 22, 1976 cabinet meeting.

The Department retains a coordinator of Indian Affairs (member of the Blackfeet Tribe) who works closely with the reservations in efforts to develop cooperative agreements which include employment of tribal members as state fish and game wardens. Cooperative agreements currently exist with the Fort Peck Reservation and the Fort Belknap Reservation and we employ a member of the Fort Belknap Tribe under this agreement.

CENTRALIZED SERVICES PROGRAM Disbursements \$1,557,296

PROGRAM DESCRIPTION: This Program provides administrative and fiscal management in support of the entire Department. It provides direct administrative support for budgeting, accounting, property control, purchasing, personnel, licensing, land acquisition and support services such as mail and supply, reproduction, warehousing, legal services and pilots.

PROGRAM BENEFITS:

Benefits to the public include getting licenses into the hands of license agents for sale to the public, managing special drawings so Montanans successful in the draws can harvest game animals, and accomplishing land acquisitions for use in the future by the public.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Recommendations are:

1. To establish and monitor a real property inventory system and surplus property procedure.
2. To improve *Montana Outdoors* accounting procedures by tracking revenue and expenditures in one accounting entity.
3. To implement a payroll system based on actual payroll figures prior to January 1, 1979.
4. To improve special licensing procedures and systems.

ENVIRONMENT AND INFORMATION PROGRAM Disbursements \$1,330,758

PROGRAM DESCRIPTION: The function of the Bureau of Environment is to provide baseline data on the fish and wildlife resource of Montana in order to protect that resource for future generations.

The function of the Bureau of Information is to inform the public of fish and game activities and policies; and to provide education in wise resource utilization through personal contact with sportsmen's groups, lectures for school children, and through radio, TV, films and the Department magazine. Department fishing and hunting regulations are also prepared here.

PROGRAM BENEFITS:

The Bureau of Environment benefits the public by developing accurate assessments of various projects and their effects on the fish and wildlife resource. Given this knowledge, the projects can develop appropriate design features that either avoid impacting fish and wildlife or minimize those impacts. Where impacts are inevitable, this Program will also look at methods of compensating for such losses.

The Bureau of Information benefits the public by providing fishing, hunting and wildlife information to Montana residents and tourists. It also provides information and education programs that develop public awareness of the fish and wildlife resource and the needs for the protection and management of that resource.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Funding for the Bureau of Environment should be secured so that large segments of the Program are not dependent upon short-term contracts. This stability would be desirable to ensure a more stable job situation for employees and continuity of a high quality program.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: (continued)

The Bureau of Information should be separated from the Bureau of Environment in order to enhance both operations.

FISHERIES PROGRAM Disbursements \$1,608,720

PROGRAM DESCRIPTION: This Program exists to provide the optimum sport fishing for Montanans and visitors to the state and to permit commercial utilization of nongame fish where this is compatible with sport fishing.

PROGRAM BENEFITS:

This Program maintains the fisheries habitat and the fish populations which now annually provide three million man-days of sport fishing in Montana.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Resident and nonresident fishing license fees need to be increased. This is needed to fully fund the present level of services, which has become established through need, and to support this Program in the face of rising operational costs. The cost of fish food has doubled in ten years. While fishing license fees have supported this Program (fish division operations), they have not supported the additional activities needed for the complete Fisheries Program including enforcement, information services, accounting and administration.

LAW ENFORCEMENT PROGRAM Disbursements \$2,118,018

PROGRAM DESCRIPTION: The Law Enforcement Program is responsible for protecting fish and wildlife and their habitat from willful or negligent destruction by enforcing compliance with regulations and laws relating to fish, game, parks and recreation. The goal of the Program is to protect fish and wildlife resources for posterity, promoting their wise and equitable use.

PROGRAM BENEFITS:

Benefits to the public are derived from protection and management of the state's wildlife and recreation resources.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

It is recommended that sufficient funding be maintained to provide adequate management and protection of the wildlife and recreational resources of Montana; that General Fund money be made available to fund programs involving state parks and recreational areas; and that sufficient funding be provided to fill existing warden vacancies.

PLANNING PROGRAM Disbursements \$118,813

PROGRAM DESCRIPTION: This is a Program to formulate long-range and short-term plans of the Department. Objectives of planning are to protect, perpetuate, and enhance fish and wildlife species and sites and objects of public interest for the outdoor enjoyment of the people of Montana and visitors. Objectives are also to increase public awareness and knowledge of ecological matters to enhance an appreciation of resource management and outdoor recreation and to produce the optimum outdoor recreational opportunity.

PROGRAM BENEFITS:

Benefits include a more effective and a smoother functioning Department achieved through better coordination and more efficient use of funds. The Department of Fish and Game has piloted the Planning Program for other state agencies.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The choice of a format to measure input/output by activity decision packages is not favorably suited for a natural resource agency. We recommend emphasis be made on subprograms for purposes of simplicity and brevity. Program planning should be just that — a plan for programs, subprograms and sub-subprograms with input being manpower (hours) and money (\$) and output being products that are protected, preserved, enhanced or managed to produce outdoor recreation. The following simplistic statements say it best: Planning identifies output desired. Budgeting identifies input required. Perhaps with this approach the Legislature, the public, and Department personnel could understand that House Bill 643 could be a step forward.

RECREATION AND PARKS PROGRAM Disbursements \$1,227,367

PROGRAM DESCRIPTION: The Recreation and Parks Program is responsible for:

1. The operation and maintenance of the "State Parks System" including state parks, recreation areas, monuments, recreational waterways, recreation roads and trails and fishing access sites.
2. The conservation of scenic, historic, archaeologic, scientific and recreational resources of the state and providing for their use and enjoyment by Montana residents and their guests.
3. The administration of the Federal Land and Water Conservation Fund in Montana.

PROGRAM BENEFITS:

An estimated 8,105,000 recreation occasions were provided during an estimated 2,051,842 visits to the Montana State Parks System during the 1976 calendar year.

During FY 1977, twelve sites within the System were improved under the long-range building program. Planning for improvements at thirty-three other sites within the System was

PROGRAM BENEFITS: (continued)

under way. Land holdings within the system increased by 4,126 acres which included acquisition by purchases, leases and gifts. Additions were made to three existing state parks, one existing monument and two existing fishing access sites. Six new fishing access sites were also purchased.

In FY 1977 the Department administered the disbursement of \$2,044,428 in Land and Water Conservation Funds. Approximately 50 percent of these monies went to outdoor recreation projects sponsored by local political subdivisions and approximately 50 percent went for state sponsored projects. As a result, twenty-six local and twelve state projects were written and approved.

In recent years, we have been actively seeking alternatives to the traditional "buy and build" methods of providing for outdoor recreation. We are most proud of our accomplishments in this area and list some of the more significant of these during the reporting period:

1. The creation and management of the Blackfoot River Corridor.
2. The Heritage Park donated addition to Giant Springs State Park.
3. The donation by Champion International Corporation of recreation tracts at Salmon and Placid Lakes.
4. Flathead County Park Board Department pilot winter recreation program at Foy Lake near Kalispell.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The improved enforcement of public use regulations at state park systems sites has been identified by a survey of recreationists and by Department administrative personnel to be the top priority problem to be addressed. Expressions from members of the 1977 Legislature are evidence of their concern as well. The Department is implementing measures to address that problem. These measures include:

1. Providing funding other than earned revenue license monies for the enforcement of park regulations.
2. Providing an activity decision package within the parks program which specifically addresses Program enforcement efforts.

Early experimentation with the priority budget system indicates that it should be streamlined and simplified if it is going to be an effective management tool.

Experience has shown that the parks system should be looking for alternative sources of funding. Our goal is to shift to park users an equitable share of the financial support for the Program. While there is justification for continuing to support the Program from general tax revenues in part, an equitable balance must be sought. Preliminary studies have been undertaken and will be continued in an effort to find workable alternatives.

WILDLIFE MANAGEMENT PROGRAM Disbursements \$2,215,145

PROGRAM DESCRIPTION: The goal of the Wildlife Management Program is to maintain an available supply of game to meet the demands for all types of recreation associated with game animals while insuring the protection and perpetuation of all game species and their eco-systems.

PROGRAM BENEFITS:

The necessary surveys, inventories and research of the state's wildlife and habitat resources were made to provide a biological basis for management recommendations to the Commission.

Management of Department lands was accomplished and the payment to the counties in lieu of taxes increased to approximately \$72,000.

The Ear Mountain Game Range was purchased, which will provide approximately 3,050 acres of prime winter game range in Teton County.

The cooperative research programs were continued involving state and federal agencies on various problems, such as coyote-prey relationships.

Involvement in public forums for the discussion of game management programs and policies was continued.

The Program name was changed from Game Management to Wildlife Management in order to better depict the Program role within the Department.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The nongame section should be transferred to the Wildlife Management Program in order to accomplish the needed coordination between the species involved.

The lynx and wolverine need to be placed on the furbearer list for management. The Department is managing these animals under a MAC Rule at present and they need a more positive legal status.

The grizzly bear should be limited to one bear in a lifetime through legislative action. The bear is classified as threatened under the 1973 Federal Endangered Species Act.

Chapter 18 of Title 26, R.C.M. 1947, needs some amendments directed at making the state eligible for receiving federal matching funds for both endangered species and nongame species.

Increased emphasis on solving landowner-sportsmen relationship problems needs to be undertaken.

AGENCY DESCRIPTION:

The statutory authority for the Department of Health and Environmental Sciences is Section 82A-601, R.C.M. 1947.

The basic function of the Department of Health and Environmental Sciences is to protect and promote the health of the people of Montana through the implementation of beneficial public health programs and the enforcement of public health laws and regulations. It is the responsibility of the Department to assess health care needs and problems; in cooperation with local and private sources, to develop and implement programs designed to meet health needs and alleviate problems; and to continually evaluate current public health programs.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

In March, 1977, the Department received the Equal Employment Opportunity Bureau's approval of the Agency Affirmative Action Plan, which is designed to effect non-discrimination in all personnel related activities. A representative to the Interdepartmental Coordinating Committee for Women was appointed. The Department also formed a subcommittee of female employees throughout the agency to scrutinize personnel operations and work with the EEO officer in eliminating any actions which may have tendencies toward discrimination.

HEALTH PLANNING AND RESOURCE DEVELOPMENT

PROGRAM (COMPREHENSIVE HEALTH PLANNING) Disbursements \$348,455

PROGRAM DESCRIPTION: During FY 1977, transition from PL 89-649 to PL 93-641 was accomplished. This transition included closing out Areawide Comprehensive Health Planning agencies, obtaining conditional designation from the federal government as Montana's State Health Planning and Resource Development Agency (SHPDA) under PL 93-641, providing organizational assistance to the Montana Health Systems Agency, and establishing a State Health Coordinating Council (SHCC).

The Health Planning and Resource Development Program conducts the health planning activities of the state and the Health Systems Agency plans which relate to the government of the state.

PROGRAM BENEFITS:

The Program has coordinated its efforts with those of the Montana Health Systems Agency (MHSA) by having SHCC membership, which is identical to the membership of the MHSA Executive Committee, by providing financial aid to the MHSA for subarea councils, by adopting a common planning format, by coordinating the Health Systems Plan and State Health Plan, and by coordinating the program review process.

Through the planning and program review processes, the Bureau also has coordinated its efforts with other agencies, including Mental Health, Alcoholism, Substance Abuse, Emergency Medical Services, Licensing and Certification, hospitals, provider societies and a variety of other groups.

PROGRAM BENEFITS: (continued)

The Montana Health Data Management System has been established through a contract with the Bureau of Records and Statistics. This system is designed to coordinate and automate existing health data in planning.

The Bureau received 64 letters of intent, resulting in three projects totaling \$2,348,000 denied, forty-six applications totaling \$29,720,829 approved, and fifteen letters of intent not reaching application stage.

Regular construction inspections were made on the seven Hill-Burton projects under construction during the year. All of these projects were 75 to 90 percent complete by the end of the fiscal year. Final audits were completed on two other projects. In addition, construction inspections and licensure inspections were made on nineteen other facilities.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Amend the Montana Certificate of Need Law to bring it into compliance with minimum federal requirements.

Provide increased support to Montana Health Data Management Systems to speed up coordination and automation of health data.

Contract for establishment of methodologies for appropriateness reviews of health care institutions.

Add the following additional staff: person to facilitate implementation of Certificate of Need Law and Section 1122 of the Social Security Act, since the workload in this area is nearly three times heavier than previously anticipated; statistician to conduct an on-going patient origin study as an accurate data base for planning and project review.

HEALTH SERVICES PROGRAM Disbursements \$4,962,616*

PROGRAM DESCRIPTION: The Health Services Program provides services directed to the improvement of the health of mothers and children. It also provides services to alleviate chronic illness and to decrease the incidence of infirmities related to aging. The goal of the Program is to provide those services which will protect the adult population from health losses because of injuries, chronic diseases, and the process of aging.

The Bureau of Dental Health provided the following: School Preventive Program, Flathead Children's Dental Health Project, Anaconda Fluoride Mouth Rinse Program and the Advisory Dentist to Long-Term Care Facilities Project.

*The amount of disbursements does not include Nursing Bureau or Chronic Disease Program (Chronic Disease, Heart Diagnostic Center, Hypertension Program, Dietary Management for Cancer)

PROGRAM BENEFITS:

Because of the Health Services Program, many children had handicapping conditions corrected. Families on the Medicaid Program had their children screened for medical conditions where early correction and treatment worked to reduce future expenditures of money. Children and pregnant and lactating women who were financially qualified were given adequate nutrition and counseled for proper dietary habits. In fifteen locations, women were given family planning services to the end that only desired pregnancies occurred.

Many women, particularly in rural areas, were taught self-examination of the breast. Communities were assisted in screening for hypertension. Children thought to have heart disease were examined at the Heart Diagnostic Center. Those having correctable heart defects were referred to out-of-state surgical centers.

The School Preventive Program reached 56,118 children during the school year with dental health education. Flathead County Children's Dental Health Project screened and provided preventive services to 4,770 elementary school children during the school year. 347 children completed initial and recall maintenance dental treatment by their dentist of choice during the same period. Over 90% of the eligible children are participating in the Fluoride Mouth Rinse Program, a total of 1,581 children. Seventy-seven of the 79 long-term care facilities in Montana participated in the Montana Advisory Dentist Program, with 78% or 3,780 of the long-term care facility patients giving consent to and being screened. Four cancerous lesions were discovered, biopsied, and placed under treatment, and an additional seven lesions were biopsied with results not known at time of report.

NUMBER OF PERSONS BENEFITED

1.	Handicapped Children	
a.	Handicapped children served	610
b.	Surgeries for handicapped children	214
c.	Hospitalizations for handicapped children	183
d.	Transports of newborns	84
2.	Early Detection and Treatment	
a.	Children served	16,028
b.	Children screened for inborn errors	12,000
c.	Women served	975
3.	Family Planning	
a.	Women in need	50,252
b.	Women in need served	16,997
c.	Pap tests	7,935
d.	V.D. tests	8,742
4.	Health Education	
a.	Health films utilized	4,010
b.	Communities utilizing Health Education Materials (from Zip Code mailings)	122

PROGRAM BENEFITS: (continued)

NUMBER OF PERSONS BENEFITED (continued)

5. Nutrition
 - a. Monthly average of patients receiving supplemental foods 8,400
 - b. Number referred for health care 3,000
 - c. Monthly average participating in nutrition education 3,400
6. Chronic Diseases
 - a. Participants in diabetes seminars 445+
 - b. Participants in hypertension seminars 82
 - c. Participants in cancer education seminars (approx.) 1,000
 - d. Screened for high blood pressure and diabetes 7,108

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

There is a need for strengthening the Maternal and Child Health (MCH) component. This should be a "core" activity, but has diminished through the years. Most MCH money is given to local health departments on contracts. This is a good concept; however, the state agency may find itself unable to provide proper leadership and consultation in the future.

Approximately fifty percent of Montana elementary children are receiving benefits from the School Preventive Program, in spite of numerous attempts to procure more funds to carry this Program statewide. A minimum of \$50,000 per year should be budgeted to this Program to cover the rest of the state. The Flathead County Children's Dental Health Project is an ideal vehicle for improving the dental health of all people in Montana. Within twenty years dental disease would be almost non-existent in Montana if a similar program were funded for all children in the state. Anaconda Flouride Mouth Rinse Program, without any studies included, could produce twenty to fifty percent reduction in dental decay in children for less than fifty cents per year for each child. Montana Dental Advisory Program could be improved by repeating the screening process at regular intervals, such as three or five years.

COMMUNICABLE DISEASE CONTROL PROGRAM Disbursements \$368,540

PROGRAM DESCRIPTION: The Communicable Disease Control Program is responsible for surveillance of all communicable diseases within Montana; prompt, accurate investigation of threats to the public health; instituting the appropriate control measures when necessary; providing advice and information to health professionals and the public to further the understanding and prevention of the communicable diseases; and providing certain vaccine and medications to individuals for the prevention or treatment of certain diseases. Much of this Program is accomplished with the cooperation and assistance of local county health departments.

PROGRAM BENEFITS:

Provided the following services:

1. <u>Immunization</u>	<u>Polio</u>	<u>Measles</u>	<u>Rubella</u>	<u>Diphtheria</u>
Number of cases	0	1,106	81	0
Number of vaccine doses	10,090	14,016	8,734	7,635
% immunized - 2 years old	78	83	78	86
% immunized - 6 years old	85	77	68	88
Number of lab tests	0	184	22,321	0
2. <u>Influenza Immunization</u> (Swine Flu)				
Number of doses given		200		
% of adults immunized		46		
Rank in nation		12		
3. <u>Venereal Disease Control</u>				
Civilian gonorrhea cases identified and treated			1,992	
Infectious syphilis cases identified and treated			13	
Tests for gonorrhea			27,299	
Tests for syphilis			84,866	
4. <u>Tuberculosis Control</u>				
New cases identified and treated		62		
% reduction from FY 1976		37		
Tests for tuberculosis		21,605		
5. <u>General Communicable Disease Control</u>				
Cases of Salmonellosis		40		
Cases of Shigellosis		16		
Enteric specimens		292		
Cases of Hepatitis		150		
Cases of Encephalitis		2		
Tests for Encephalitis		40		
Number of all lab specimens		88,954		

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Transfer all tuberculosis inpatient and outpatient responsibilities to this Program from Galen State Hospital. This will effect an estimated savings to the state of \$30,000 to \$40,000 per year.

Increase state appropriations to local health departments to increase capability to promptly investigate and control occurrence of communicable diseases.

MANAGEMENT SERVICES PROGRAM Disbursements \$693,373

PROGRAM DESCRIPTION: The Management Services Program furnishes medical supervision, administrative and legal support to the operating public health programs. It conducts personnel, administration and fiscal management. It is responsible for acquiring the personnel, materials, space, and services required in the operation of the departmental programs. It provides the legal services for the protection of the Department, for the enforcement of laws administered by the Department, and for the drafting of proposed legislation. It supports the public information unit which serves as a central source of information about the Department's goals, activities, policies, programs and problems, and is the official channel of communication between the agency and the news media.

Through the Bureau of Nursing, it provides assistance to local community health nurses in orientation, program planning, area educational meetings, and continuing consultation to community health nurses throughout the state; provides assistance to areas establishing home health agencies; and assists with recruitment and placement of qualified community health nurses.

PROGRAM BENEFITS:

The Program established a system whereby the accounts payable for contracts are processed on an encumbrance basis through SBAS so that program managers are better informed of current financial conditions; developed additional program cost centers to provide better budget expenditure information for management; increased use of SBAS to provide machine processed reports to replace hand-kept cash receipt journals; provided the public via newspapers, radio, and television, information about 115 department activities, programs and problems, in addition to daily contact with Department units regarding communication with the public; and, provided the following services:

Claims documents processed	7,713
Journal vouchers, interagency claims, revolving fund payments processed	2,303
Personnel actions processed	642
Certified copies of vital records	13,463
Adoptions	787
Departmental legal opinions written	32
Legal case files opened	101

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Increase types and range of legal services to cover all divisions and bureaus.
2. Make resources available to Records and Statistics Bureau which would enable it to capture information from vital statistics indexes in machine readable form. The current indexes, most of which were prepared utilizing manual methods, are deteriorating physically and are difficult to update.
3. Hire a field auditor to service the multitude of federal grants made to local entities. This action will satisfy federal requirements and will obviate the need to hire private accounting firms.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: (continued)

4. Assign space in one building for all personnel in order to provide for more productive performance of the entire Department. The housing of offices in seven different buildings causes losses in administrative and operational efficiency.
5. Improve the quality of area educational meetings for community health nurses by state-wide planning according to local need.
6. In conjunction with the Governor's Office, develop rules for enabling public participation as required by a law enacted by the state legislature in 1975.
7. Hire an additional public information staff person to work 100 percent on local projects and to serve as a conduit in state/local communication.

HEALTH CARE FACILITIES AND MANPOWER PROGRAM Disbursements \$2,198,712

PROGRAM DESCRIPTION: The Health Care Facilities and Manpower Program is responsible for monitoring the operation, maintenance, and design of various medical facilities and services including hospitals, long-term care facilities, ambulances and ambulance services, home health agencies, medical laboratories, out-patient therapists and facilities, speech pathology services, rental dialysis units, and mental health treatment facilities. The Program has legal authority to issue licenses, grant Medicaid certification, and recommend Medicare certification to those facilities and services which meet the regulations. It has the legal responsibility to promulgate and revise licensing regulations, to investigate and act upon citizen complaints, and to revoke the license or certification of any facility or service which falls below minimum standards and jeopardizes the health or safety of the patients.

The Program's two structural components, Emergency Medical Services Bureau and Licensing and Certification Bureau, plan and present training programs for health care manpower — in particular, emergency medical technicians and nursing home personnel. The Emergency Medical Services Bureau administers federal grant money for the improvement of emergency medical services, including the purchase of ambulances and communication equipment. Both bureaus offer consultation to the management of the various facilities and services.

PROGRAM BENEFITS:

Continuous effort was made to integrate Program activities with the activities of other similarly commissioned agencies: The Montana Department of Social and Rehabilitation Services, The Montana Health Systems Agency, the Montana Hospital Association, Montana Nursing Home Association, Montana Medical Association, many emergency medical services groups, and especially with the demands of the federal regional offices for Medicare, Medicaid, and emergency medical services.

The Emergency Medical Services Bureau, with the assistance of federal funds, accomplished the following: 6 ambulances and numerous items of hospital equipment were purchased; 12 communications systems were established; 104 ambulances were inspected and licensed; a new Emergency Medical Technician certification program was established and 297 EMTs

PROGRAM BENEFITS: (continued)

were trained and certified; 150 law enforcement personnel were trained in appropriate first aid techniques; and physician input was established to assure excellent medical control of the EMS system.

The Licensing and Certification Bureau conducted 165 license inspections of hospitals, nursing homes, home health agencies, and other facilities mentioned in the Program Description. The Bureau carried out 149 Medicare certification surveys and 156 Medicaid certification surveys. Fifty-one complaints were investigated; 274 followup visits were made to verify corrections of deficiencies; and 684 consultation sessions were provided.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Improve communication with the Montana Health Systems Agency.

Implement monthly staff in-service meetings.

Completely revise regulations for hospital and nursing home licensing.

Enter Phase II of Patient Assessment and Care Evaluation Project for nursing homes.

For the Emergency Medical Services Unit, the following is recommended:

1. Conduct desperately needed emergency medical services assessment.
2. Obtain state funds for purchase of EMS equipment to fill the needs in locations where federal funds are unavailable.
3. Increase EMS Bureau training capability by hiring additional staff.
4. Investigate the use of contracts for future development of EMS components.

ENVIRONMENTAL HEALTH PROGRAM (Environmental Sciences) . Disbursements \$3,368,083

PROGRAM DESCRIPTION: This Program is concerned with the problems of health maintenance, productivity and well-being related to conditions of the environment or stresses in the environment. Emphasis is directed, primarily, towards the study of the existing environment; whether it is safe, and if hazards are found, to specify corrective measures.

The Environmental Health Program is implemented by six bureaus: Air Quality, Food and Consumer Safety, Occupational Health, Solid Waste Management, Subdivision, and Water Quality.

The purpose of the Air Quality Bureau is to achieve and maintain such levels of air quality as will protect human health and safety, and to the greatest degree practicable, prevent injury to plant and animal life and property, foster the comfort and convenience of the people, promote the economic and social development of the state and facilitate the enjoyment of the natural attractions of the state.

PROGRAM DESCRIPTION: (continued)

The Food and Consumer Safety Bureau protects health through its surveillance of food, drug and cosmetic products; supervision of food service establishments, public housing, and institutions; vector control; and product and home safety.

The Occupational Health Bureau has two sections. The Industrial Hygiene Section monitors work places for excess of dusts, gases, mists, noise, light, heat, biological sampling, dust and gas control systems, and ventilation. The Radiological Health Section maintains surveillance of radiation sources.

The Subdivision Bureau has the responsibility for reviewing the public health and environmental aspects of every proposed subdivision submitted to the Department. The Subdivision Bureau attempts to assure that each purchaser of a subdivision lot has a safe and dependable domestic water supply, a nonpolluting, reliable sewage disposal system and an approved location for disposal of garbage and trash.

The Solid Waste Management Bureau is responsible for overseeing refuse disposal systems; assuring the systems are being operated in accordance with all applicable laws; and initiating any required legal action. The SWB oversees grants and loans to local governments for solid waste management, planning and implementation; and provides technical assistance to solid waste systems managers and local government officials. The SWB also oversees the Junk Vehicle Program.

The Water Quality Bureau is responsible for the state's water pollution control and water supply laws.

PROGRAM BENEFITS:

The Air Quality Bureau accomplished the following:

1. Processed 114 construction permits to assure that pollution industries comply with air quality rules and standards.
2. Performed 3,091 laboratory analyses on 2,668 samples to evaluate the effects of air pollution, and analyzed 160,000 hourly field samples to investigate air pollution levels throughout the state.
3. Enforced compliance with air quality rules and standards through 951 field surveillance actions.
4. Initiated air quality maintenance plans and prevention of significant deterioration plans to protect future air quality.
5. Investigated over 100 complaints on air pollution sources.
6. Coordinated with other governmental agencies to reduce emissions from slash burning and dusty roads.

The Food and Consumer Safety Bureau accomplished the following:

1. Completed in-depth epidemiological investigations on 23 injuries and two deaths involving consumer products.

PROGRAM BENEFITS: (continued)

2. Inspected 235 firms and outlets for compliance with the Hazardous Substances Act and Poison Prevention Packaging Act.
3. Investigated and resolved 196 consumer complaints regarding food, drug and cosmetic problems.
4. Provided bureau consultation training and recruiting assistance for five new local sanitarian positions.
5. Issued 6,577 licenses for food purveyors, public accommodations, and trailer court/travel trailer parks during calendar year 1976. The issue represents a continuation of growth which is up 28% since 1968.
6. Evaluated the sanitation level of food purveyor establishments and the food program administrative procedures in seven of the 27 local sanitarian jurisdictions. Recommendations for improvement were made and plans for followup evaluations established.
7. Returned \$129,057 to 27 local public health sanitarian jurisdictions serving 54 Montana counties through the license fee refund program. The money assisted local sanitarians to maintain and improve their inspection program, add staff, and this year resulted in 11,338 formal evaluations.
8. Provided 381 individual consultative/technical services to local preventive health/vector control agencies.
9. Completed an environmental review of the biological control of mosquitoes through mosquitofish, established mosquitofish overwintering areas, and integrated mosquito-fish into two local programs.
10. Provided 28 environmental health inspections to local correctional facilities and state institutions.
11. Provided plan review, construction evaluation visits, and regular compliance inspections for the new state prison and remodeling at Warm Springs State Hospital.
12. Developed a cooperative program of Developmentally Disabled Home inspections with the Department of Social and Rehabilitation Services and local health departments. Local departments are now reimbursed for their inspection activities.
13. Developed a coordinated and cooperative program with the Department of Administration on building code and building plan review.
14. Reviewed the plans and specifications for 404 new or extensively remodeled businesses or facilities operating under the responsibility of the Bureau.

The Occupational Health Bureau accomplished the following:

1. Completed the Montana Dental Exposure Normalization Technique (DENT) Program. This Program resulted in an average reduction in patient exposure to dental X-rays of 45 percent. At the same time, the quality of dental radiographs was improved. The health of approximately 300,000 Montanans per year has been benefited by this Program.
2. Inspected 782 X-ray units to assure safety and compliance with state standards. The health and safety of 200,000 Montanans was benefited by these inspections in addition to those benefited by the DENT Program.

PROGRAM BENEFITS: (continued)

3. Performed occupational health inspections at 469 workplaces during 1977. Corrective action was initiated in all workplaces having conditions hazardous to the health of workers. The health of approximately 7,000 workers was benefited by this Program.
4. Reviewed plans and computed minimum radiation shielding for nine new X-ray facilities.
5. Leak-tested and inspected 103 radioactive sources for safety.
6. Investigated 146 complaints received from employees, employers, and the general public relating to occupational health.
7. Inspected radioactive waste disposal sites located near Bozeman and Miles City.
8. Analyzed 255 water samples for gross alpha and gross beta radioactivity.
9. Performed a comprehensive environmental noise study in the Butte area.
10. Made available environmental noise control consultation and technical assistance to requesting individuals and communities.

The Solid Waste Management Bureau accomplished the following:

1. Completed statewide planning effort for solid waste management and drafted a proposed state plan for waste management/recycling energy production.
2. Developed new solid waste/resource recovery legislation to assist local governments in funding the planning and implementation of improved solid waste management systems.
3. Completed a comprehensive solid waste plan for 11 Montana counties in coal impact area.
4. Closed or upgraded to landfills 19 open burning dumps, inspected 8 new solid waste disposal sites, and inspected 250 refuse disposal sites.
5. Granted \$613,466 to counties to fund local junk vehicle programs, reviewed 56 county junk vehicle program budgets, inspected 55 county free motor vehicle graveyards, inspected 60 private motor vehicle wrecking facilities, and initiated 4 legal actions for enforcement purposes.

The Subdivision Bureau accomplished the following:

1. Reviewed over 1,800 subdivision applications and approved over 6,000 homesites.
2. Prepared environmental impact statements for the Golden Glacier Parklands.
3. Prepared preliminary environmental reviews for 35 subdivisions.

The Water Quality Bureau accomplished the following:

1. The Water Quality Bureau has 335 active wastewater discharge permits to control water pollution from point source discharges. Active compliance monitoring of waste discharges and inspections of waste treatment facilities during the fiscal year has resulted in improved compliance by permittees. Several former discharges have been eliminated due to changing over to non-discharging systems.

PROGRAM BENEFITS: (continued)

2. Initiated inventories and assessments of non-point source pollution from various land uses and land use practices under the statewide 208 Water Quality Management Planning Program as the first step in developing recommendations for appropriate management and regulatory programs. For protection of Yellowstone River water quality, an application for flow reservation was made.
3. Inventoried and inspected a total of 436 water supplies; 130 plans for extension, alterations and new construction on water systems were reviewed. Increased monitoring and surveillance were provided to insure safer water to the public.
4. Initiated a public participation program which should provide long-range benefits in improved public water supplies and water pollution control.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

An improved effort in public communications to achieve willing compliance with legislative mandates and rules designated to protect the environment and health of people in the state should be initiated. All such programs will benefit from such an effort and a better feeling of the people toward the government will be achieved.

The Air Quality Bureau should hire additional staff to aid in surveillance and enforcement activities.

The Food and Consumer Safety Bureau recommends:

1. Expand the pesticide applicator blood monitoring program and improve followup of occupational health effects (pending acquisition of financial and part-time technical assistance).
2. Develop a State Vector Control Disaster Response Plan, a comprehensive swimming pool program, a management by objective program to become a part of the license refund program and the survey procedure, an on-going food service training program for the 11 state institutions and a self-inspection program for state institution food service operations, a Consumer Safety Information and Education Program directed toward reducing the fourth leading cause of death now affecting the public (especially children) -- consumer product related injuries.
3. Establish positions of training specialist and health educator to develop and present professional training to sanitarians, operation training to public facility owners and employees, and informational material to the public.
4. Develop and provide program evaluation surveys to local public health sanitarian jurisdictions every two years.
5. Develop and present training programs for the state institutions directed toward particular problem areas (i.e., housekeeping procedures, equipment and supplies, rodent and insect control and proper pesticide use).
6. Develop and propose legislation authorizing the Department to establish public and environmental health standards and compliance machinery for local correctional facilities.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: (continued)

7. Because of reduction in travel time, travel expense and a more receptive attitude from local sanitarians to seek assistance, regional offices should be established to serve other areas of the state.
8. Improve inspection program for cereal grain storage and warehouses.
9. Survey "health food" stores to determine the extent of labeling and packaging problems and develop a plan of correction.

Recommendations from Occupational Health include:

1. Develop a program for radiological environmental surveillance.
2. Negotiate an agreement status with the U.S. Nuclear Regulatory Commission for the assumption of licensing and regulatory authority for byproduct materials.
3. Develop a program of plan evaluation for new workplaces to assure incorporation of adequate industrial hygiene engineering.
4. Hire a full-time staff member to provide technical assistance for the control of environmental noise to communities and to work on the development of a state-wide environmental noise control plan.

Recommendations from the Subdivision Bureau include:

1. Have local government play a larger role in subdivision review. In order to become more effective as an independent review agency they must upgrade their staff with experts in soil science, hydrology and engineering.
2. Increase staff to become more time responsive to subdivision applications.
3. Initiate cooperative studies with the universities in the area of experimental sewage treatment systems.

Recommendations from the Water Quality Bureau include:

1. Provide additional needed manpower on the construction grant program to minimize delays in providing adequate sewage treatment facilities. Increased federal funding or utilization of a federal employee in Helena will be sought.
2. New regulations for the public water supply program are needed for the state to administer the federal "Safe Drinking Water Act" provisions.
3. Adoption of regulations for protection of underground waters.

WATER AND WASTEWATER OPERATORS PROGRAM Disbursements \$12,425

PROGRAM DESCRIPTION: The Water and Wastewater Operators Program is responsible for enforcing the licensing of water and wastewater operators in any system serving ten or more families, or serving an industry employing ten or more persons.

PROGRAM BENEFITS:

Over 200 water and wastewater facility operators received training lasting from one to five days through the Program which utilizes various training approaches. There are 1,010 licensed operators in the state and 199 examinations were given to new operators.

WATER POLLUTION CONTROL CONSTRUCTION PROGRAM . . . Disbursements \$233,393

PROGRAM DESCRIPTION: The Water Pollution Control Program is responsible for assisting cities through provision of construction grants to attain the highest possible level of sewage treatment. Future construction, when needed, will be done by a combination of local and federal funds.

PROGRAM BENEFITS:

A total of \$7,582,875 in federal construction grant funds was allocated to plan and upgrade municipal waste treatment works. An additional \$6,296,000 was added to the construction grants program as a result of special congressional appropriation and the Public Works Act, P.L. 94-447. Eighty communities are presently at some point in the grant program.

AGENCY DESCRIPTION:

The Department of Highways is responsible for the planning, layout, construction, reconstruction, improvement and maintenance of state highways. It is also responsible for social and environmental impacts relating to state highways. It embraces responsibility as well for the enforcement of Gross Vehicle Weight regulations. Additionally, through the Travel Promotion Unit, the scenic values of the state are publicized and advertised in a year-round effort to attract visitors to the state.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

On April 12, 1977, the Department of Highways submitted an Affirmative Action Plan to the State Equal Employment Opportunity Bureau and to the Federal Highway Administration, and it has been approved by both agencies.

Presently the Department is in the process of implementing all action items set forth in the plan and in disseminating these to all employees.

Implementation is being done internally and externally, in accordance with the previous statement submitted in the 1976 Freedom From Discrimination Act, Report Title 64, Chapter 3, R.C.M. 1947, and Executive Order 11246. An additional phase, which affords opportunity through assistance to both minorities and females, is the Minority Business Enterprise Program. This program is divided into two parts: (1) internally, whereby the Department has an agreement with the Federal Highway Administration to assist technically those persons or firms who desire to become qualified to do business with the Department or State, and (2) a contract is administered with the Montana Contractors' Association through which the MCA looks for such minority firms anxious to become business enterprises, and then helps with technical and financial advice.

The newly-formed Interdepartmental Coordinating Committee for Women has received valuable help from the Department of Highways. This help comes from areas involving experience with talent banks which we use presently. We have distributed to various task forces the surveys needed for constructive data to determine the proper utilization of the female labor force.

GENERAL OPERATIONS PROGRAM Disbursements \$5,730,609

PROGRAM DESCRIPTION: The General Operations Program is responsible for the overall administrative activities and related service functions which are essential to, and supportive of, the other programs in the Department, including enforcement of G.V.W. regulations.

PROGRAM BENEFITS:

The Program is essential for the operation of every other program in the Department. It encompasses the top level management for the Department: personnel, accounting, EEO, civil rights, auditing, planning, gross vehicle weight, data processing communications, photo and duplicating.

PROGRAM BENEFITS: (continued)

Among the benefits during the year were:

1. A reorganization of the G.V.W. Administration resulted in the following actions:
 - a. The G.V.W. Division, through the use of teams comprised of G.V.W. Enforcement Officers, conducted several concentrated enforcement operations. The operations ranged in duration up to ten days, on a 24-hour-per-day basis. Locations were selected to cover the state borders as well as points within the state. Teams comprised of a supervisor and one enforcement officer performed roving enforcement, using portable scales, or weigh stations not presently manned. This provided additional random coverage and embraced large seasonal commercial movements. In addition to providing broader enforcement statewide, this program produced information on truck movement which will be useful for future planning and policy decisions. The activity was conducted in the spirit of House Joint Resolution No. 67, 45th Legislative Assembly.
2. The Gross Vehicle Weight Division operated 26 weigh stations, and conducted more than one million vehicle inspections for proper G.V.W. compliance with size and weight laws, registration, etc.
3. A more effective and efficient G.V.W. enforcement program resulted from improvements made to the G.V.W. scale buildings and instruments.
4. The use of G.V.W. area supervisors provided more individual supervision for all officers, which resulted in statewide uniformity.
5. County map books and city plat books were produced by the Planning Bureau. The city plat books contain plats of 126 cities with corresponding aerial photographs.
6. All the "No Passing" zones on the primary system were electronically determined, and the centerline stripes on the pavement were marked accordingly, resulting in a safer highway system.
7. The Department continued to develop and implement a highway safety program, with the specific objective of selecting areas of greatest needs and reducing the number and severity of accidents.
8. The Department agreed to transfer its data processing computers to the Department of Administration on the theory that a centralized computer center is more efficient and less costly to operate.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Ongoing studies indicate that additional G.V.W. enforcement would be desirable at or near entrances to the state. Coverage at these locations conceivably should be on a 24-hour-per-day schedule which would necessitate more enforcement officers or the transfer of existing personnel. Apparent benefits would be increased revenue through additional coverage of interstate traffic and a more uniform statewide enforcement program through the use of roving patrols.

MAINTENANCE PROGRAM Disbursements \$20,181,569

PROGRAM DESCRIPTION: The Maintenance Program is responsible for preventive maintenance of highways, patching and repair, periodic resurfacing, snow removal, sanding, drainage and general care of completed highways, all rest areas, litter barrels and litter pick-up.

PROGRAM BENEFITS:

The maintenance of highways, performed expeditiously, lengthens the life of the highways, protects the state's capital investment, increases safety for all highway users and reduces the costs of vehicle operation on Montana's highways.

The Maintenance Division performed routine maintenance on 8,687 centerline miles of roadway, 64 rest areas, 400 buildings, 118 road oil storage facilities, 99,000 acres of right of way, 600 litter barrels, 2,335 lighting units, 5,550 miles of fence, 103,500 signs, 490 signals, 1,000 miles of guard rail, 1,850 bridges, 18,000 lane miles of delineation and 214,000 square feet of pavement markings. In addition, extra-ordinary work was performed as follows:

1. Special road patching on 120 miles of roadway.
2. Placed asphalt aggregate on 162 miles of roads.
3. Seal coated 195 miles of roadway.
4. Rejuvenated 95 miles of asphaltic binder.
5. Refurbished 19.4 miles of plant mix shoulder settlement near Forsyth.
6. Special repair on six bridges.
7. Construction of 32 safety improvements.
8. Traffic services on 8,687 miles of two-lane roadway.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Highways are not being constructed as rapidly as they are deteriorating; therefore, more monies must be expended on maintenance in order to protect the state's investment.

Special budgeting should be created for the purchase of additional asphaltic products and crushed gravel. The Department presently has the capacity to handle greater quantities of such material for surface improvement. More emphasis should be placed on upgrading road surfaces. Additional funds should be provided for roadway signing and rest area services.

CONSTRUCTION PROGRAM Disbursements \$119,888,194

PROGRAM DESCRIPTION: The Construction Program is responsible for assuring that roads and bridges are constructed to accommodate the growing needs of state motorists. The Program supervises highway construction from project award through completion and project approval.

PROGRAM BENEFITS:

Construction Program expenditures were at an all-time high during the 1977 fiscal year, with \$119,888,194 being expended. Of this total, \$105,329,782 was in the form of payments to contractors for highway construction resulting in high employment in this industry, with increased benefits to the economy of the state.

During FY 1977, the Department awarded \$55,974,594 in construction contracts.

The awards were made as follows:

	<u>No. of Projects</u>	<u>Bid Amount</u>	<u>Miles</u>
Interstate	18	\$ 25,306,523	48
Primary	43	20,729,817	50
Secondary	12	8,855,874	64
Other	<u>7</u>	<u>1,082,380</u>	<u>4</u>
TOTAL	<u>80</u>	<u>\$ 55,974,594</u>	<u>166</u>

The largest single contract let during the fiscal year occurred in April and was for 10.5 miles of plant mix base and portland cement concrete paving on Interstate 90 in Mineral County. The amount of the contract was \$6,244,633.

101 projects were completed during the year.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

It is vital to Montana's highway systems that Congress appropriate sufficient funds so that Montana can complete its Interstate System as soon as possible, and bring its Primary, Secondary and Urban highway systems to a reasonable standard.

The Department has recommended to the state's Congressional Delegation that special federal monies be made available for road construction in the coal-impact areas. If such monies were available, nearly all the needed roadways could be built by matching federal dollars with funds obtained from the coal tax.

MOTOR POOL PROGRAM Disbursements \$521,345

PROGRAM DESCRIPTION: The Motor Pool Program was established to provide for the operation of a fleet of vehicles to be available to all state officials and employees in the Helena area for the conduct of official business.

PROGRAM BENEFITS:

In addition to the provision of vehicles for essential use without duplication by agencies, the Motor Pool continues to show improved operations. Some improvements are:

1. Reduction in fleet numbers of the intermediate passenger cars by 22, and an increase in the compact vehicles which will boost miles-per-gallon for the whole fleet.
2. Reduced the total fleet by 13 vehicles.
3. Established dual rental rate agreements with various departments in an effort to determine a more equitable rate structure.
4. Replaced older four-wheel-drive units with new models, thus reducing the amount spent on repairs for this class of vehicles.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The Helena Motor Pool should be authorized to provide transportation (along with the necessary expertise) to various statewide agencies which express a need for a small number of passenger-carrying vehicles.

PRECONSTRUCTION PROGRAM Disbursements \$8,504,599

PROGRAM DESCRIPTION: The Preconstruction Program is responsible for the planning stages of highway development, including determining location and design, public hearings, right-of-way acquisition and final processing of the highway project for contract award.

PROGRAM BENEFITS:

1. Plans for 1,200 miles of new and reconstructed highways are on the drawing boards in various stages of location and design.
2. The Environmental and Landscape Unit implemented a program of stage construction to assure more comprehensive erosion control along our roadsides.
3. Thirty-six surfacing designs were prepared and approvals obtained.
A total of 38 miles of topographic mapping was completed, along with 47 miles of cross-sections from aerial photography, for use in design and alignment studies.
5. Forty traffic projects were prepared for contract totaling \$1.1 million. The signing of local roads and streets for 33 cities and 10 counties was developed.
6. The Public Hearings Unit conducted 38 public hearings and six informational meetings as part of the Department's expanded public involvement program.
7. The Consultant Design Section administered six consultant contracts which resulted in interstate highway construction totalling \$13.8 million being awarded to contract.

PROGRAM BENEFITS: (continued)

8. The Right-of-Way Bureau acquired the following property during the fiscal year:

<u>System</u>	<u>No. of Parcels</u>	<u>Acres</u>	<u>Cost of Right-of-Way</u>
Interstate	84	1,101	\$1,073,478
Primary	193	367	1,356,764
Secondary	86	390	224,343
Other	<u>94</u>	<u>4</u>	<u>254,175</u>
	<u>457</u>	<u>1,862</u>	<u>\$2,908,760</u>

9. The utilities section completed a total of 64 agreements for the relocation or adjustment of utility and railroad facilities.

10. The Right-of-Way Bureau continued activities designed to control advertising signs along the state's Interstate and Primary systems; issued 143 permits for new signs; renewed permits for 558 signs; removed 519 illegal signs; and purchased and removed 208 non-conforming signs. In addition, negotiations were conducted with several major billboard companies for the purchase and removal of approximately 340 non-conforming billboard signs.

11. Approximately 150 signs and other encroaching devices were removed from highway right-of-way.

12. Relocation assistance was provided to 18 individuals or families, one non-profit organization, one farm and 8 business concerns which were to be displaced by highway construction.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

It is vital that the time needed in the processes of planning, location and design of highway projects be reduced by the development of better production control techniques. The reduction of red tape, whether generated internally or externally, is a necessary part of increased productivity.

TRAVEL PROMOTION PROGRAM Disbursements \$651,661

PROGRAM DESCRIPTION: The Travel Promotion Program is responsible for publicizing Montana as a vacation destination state, with the goal of increasing visits from out-of-state travelers to Montana.

PROGRAM BENEFITS:

The Travel Promotion Unit, Montana Department of Highways, reports continued success in its efforts to attract visitors to Montana.

1. The primary activity of the Unit is national advertising in newspapers and magazines and sending printed material in response to inquiries from those ads. Each year, a

PROGRAM BENEFITS: (continued)

conversion study is done by the Unit to determine exactly what percentage of people who request information actually come to the state. Latest conversion study figures show 34.8% visited Montana. For the approximately 225,000 inquiries for 1976, the total revenue to the state's tourist industry would be approximately \$29 million from those who actually came to Montana as a result of clipping an ad coupon in that year.

Other activities of the Unit include:

- a. Publicity Division — A full-time writer and a photographer produce new and special feature stories for national distribution in newspapers and magazines.
 - b. Tour Division — Excellent success in making retail travel agents, wholesalers and brokers throughout the nation aware of the opportunities for "packaging" Montana.
 - c. Film Location Division — Activities continue in this division to encourage Hollywood and TV production companies to consider Montana in their shooting plans. All, or a portion, of four films were done in the state, plus several TV commercials. In the final month of the fiscal year work was begun on two major films, *Grey Eagle* and *The Hooker Bunch*, and the state was being considered for three additional films. It is estimated that since the beginning of this program in 1976, production companies have left nearly \$9,000,000 in the state.
 - d. Miscellaneous — Production was completed on a 35mm nine-minute film, *Montana Camera Safari*, for distribution in theatres nation-wide by United Artists. The Unit applied for, and received, a \$10,000 matching funds grant from the United States Travel Service for international travel promotion. Funds were invested in a media campaign in the prairie provinces of Canada to be used primarily for promotion of Fall and Winter 1977 travel, and in an eight-day FAM trip for 15 travel agents from England, France and Mexico.
2. The Unit continued its strides in regional cooperation, particularly with the Old West Trail Foundation. Two notable campaigns resulted, neither of which could have been undertaken by individual participants — a \$30,000 Canadian media campaign and a \$60,000 advertising and promotional mini-blitz in Chicago.
 3. The Montana Travel Promotion Unit Manager continued in the second year of a two-year term on the Board of Directors of Discover America Travel Organization and represented the Mountain West Region (7 states) on the Council of Regional Travel Executives (CORTE).

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The greatest improvement this or any other state travel department could realize would be to achieve non-profit status in the eyes of the U.S. Postal Service. A concerted effort should be made on the part of state and federal officials to give relief to this ever-increasing cost of operation.

EQUIPMENT PROGRAM Disbursements \$5,113,085

PROGRAM DESCRIPTION: The Equipment Program is responsible for the purchasing and maintenance of a fleet of equipment and vehicles available for use within the Department of Highways.

PROGRAM BENEFITS:

Over-the-road vehicles were driven a total of 15,413,619 miles. Maintenance equipment was used a total of 538,606 hours. This reflects an increase in the use of construction vehicles and a reduction in the use of maintenance units.

We have purchased additional portable asphalt mixing plants in order to continue the conservation of petroleum products, while at the same time producing a better product for maintenance of roadways. The purchasing and maintenance of these units are being handled by people whose expertise lies in the field. The state-wide shop employees, equipment repairs and shop policy are directed by experts whose sole responsibility is in the equipment field.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Training programs for state employees in the use and care of the equipment should have greater emphasis.

Steps should be taken to persuade the Legislature that capital expenditure should not be interrupted by laws or regulations which prevent the encumbering of funds from one fiscal year to the next.

AGENCY DESCRIPTION:

The Department's primary functions are to administer the lands granted to the state for the support and benefit of the various state educational institutions, and to administer Montana's reclamation laws. The Department is also responsible for developing a program to identify areas of saline-alkali damage to coordinate state efforts to solve the problem.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

Under the Department's Equal Employment Opportunity Plan steps are taken to:

1. Identify and eliminate any present discriminatory practices.
2. Directly contact "affected class" groups as a regular recruitment procedure.
3. Submit semiannual affirmative action status reports to the Equal Employment Opportunity Bureau.

CENTRAL MANAGEMENT PROGRAM Disbursements \$672,074

PROGRAM DESCRIPTION: The Central Management Program is charged with providing the necessary administrative services for the Department. The Program processes in excess of \$15 million in trust income annually and also issues and maintains surface and mineral leases on 5,000,000 acres of school trust lands. The Program is responsible for distribution of the interest and income received from lands and investments and for maintaining the permanent fund accounts involving \$85,387,642.

PROGRAM BENEFITS:

Collected and distributed \$17,542,983 in rentals and interest income to the common school and other land grant schools and institutions.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Expand the microfilm program to complete the filming of permanent records.

Expand the records system to grant lands to include lands owned by the state and administered by other state agencies, except Highway Department lands.

RECLAMATION PROGRAM Disbursements \$346,016

PROGRAM DESCRIPTION: The Reclamation Program is responsible for regulating all mining-related disturbances in the state. Specifically, the Program administers the Montana Strip and Underground Mine Reclamation Act, the Montana Open Cut Mining Act, the Strip and Underground Mine Siting Act, the Coal Conservation Act and legislation regulating hard rock mining.

PROGRAM BENEFITS:

The Department's Reclamation Program sought to minimize environmental damage caused by mining in the state. By demanding effective mined land reclamation, the Department sought to maintain the long-term utility of surface resources including land utilized for grazing, crop production, timber, watershed, and recreation. Through its regulating duties, the Department promoted productive land use consistent with a harmonious environment and constitutional requirement.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The statutory time allowed for permit review under the Open Cut Act should be extended in order to more fully comply with the Montana Environmental Policy Act. Sixty days does not allow time to prepare required environmental assessments.

Research monies would improve the Department's revegetation monitoring attempts and would allow for soil moisture research to be conducted on revegetated areas. Such research would result in data on optimal reclamation methods and seeding mixtures, thus enabling the Department to better fulfill its statutory obligations. Present sources of funding for reclamation research do not always provide data necessary to resolve problems or questions raised in the administration and enforcement of the reclamation acts.

LAND ADMINISTRATION PROGRAM Disbursements \$145,547

PROGRAM DESCRIPTION: The Land Administration Program is charged with the appraisal and reclassification of all state lands by identifying and utilizing multiple-use concepts.

PROGRAM BENEFITS:

The Program has allowed the Department to secure the optimum advantage to the various institutional trusts through adequate appraisal and land use supervision.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

More field personnel are needed to conduct the systematic field evaluations of the 4.6 million acres of state lands, to reappraise the carrying capacities of grazing tracts prior to lease renewals, and to obtain information relevant to the classification system for multiple use management.

RESOURCE DEVELOPMENT PROGRAM Disbursements \$271,078

PROGRAM DESCRIPTION: The Resource Development Program is responsible for developing and improving state lands to increase revenue for the trust fund, and to restore and preserve state land resources.

PROGRAM BENEFITS:

Revenue to the trust funds has been substantially increased by developing irrigation projects and developing stockwater wells on state school trust lands. Water rights have been secured on numerous tracts of state lands which will enhance the value of the state tracts for future generations.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

To enhance lessee interest in the development of Resource Development Projects to improve the land and increase the revenue to the school trust funds, an incentive must be offered to the lessee. Some recommendations that should be taken into consideration are as follows:

1. For special high cost sprinkler irrigation projects that require a large investment on the part of the lessee, for items such as mechanical surface sprinkler irrigation equipment, farming, operational, labor and power costs, a lower rental than the standard 1/4 crop share should be considered.
2. The Department should be able to offer the lessee a guaranteed lease extension or renewal for a period of up to ten years to protect the lessee's investment if it is substantial enough to warrant such.

SALINE-ALKALI PROGRAM Disbursements \$248,114

PROGRAM DESCRIPTION: The Saline-Alkali Program is responsible for administering funds for research to control and prevent saline-alkali damage to cropland.

PROGRAM BENEFITS:

Provided technical assistance to farm and ranch operators through news media and educational pamphlets for the control of saline-alkali problems.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The 1977 Legislature funded the Program at a "phase-out" level. The Program is to be terminated as a Department responsibility following the biennium.

AGENCY DESCRIPTION:

The Department of Livestock consists of two major divisions: the Animal Health Division is responsible for control and eradication of animal diseases, and the prevention of the transmission of animal diseases to humans; the Brands Enforcement Division is responsible for the protection of the livestock industry from theft and predator animals.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

On June 1, 1977 the Personnel Bureau approved the Department of Livestock Affirmative Action Plan. At this time, all Department employees have been advised of their rights and Department personnel policies as provided for in the Affirmative Action Plan. During fiscal year 1977 all personnel actions were taken in conformity with the Affirmative Action Plan as finally approved. Also, as provided in our Affirmative Action Plan, an employee evaluation system was developed and initiated.

CENTRALIZED SERVICES PROGRAM Disbursements \$175,774

PROGRAM DESCRIPTION: The Centralized Services Program is responsible for the accounting, budgeting, payroll, personnel, purchasing and general services functions for the Department of Livestock.

PROGRAM BENEFITS:

An Equal Employment Affirmative Action Plan was developed and received Personnel Division's approval. A system of personnel promotion and recruitment was developed to conform to Equal Employment Opportunity guidelines and an employee evaluation system was initiated.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

An increase in this Program's budget sufficient to pay the per diem and expenses of members of the Board of Livestock out of this Program rather than distributing these costs to several programs is recommended. This would allow an accurate accounting of the cost of maintaining the Board.

ANIMAL HEALTH ADMINISTRATION PROGRAM Disbursements \$65,452

PROGRAM DESCRIPTION: The Animal Health Administration Program is responsible for providing central direction to the programs within the Division, and maintaining a working liaison with Montana veterinarians, livestock producers, and animal health officers of other states and the federal government. This Program responds to the administrative needs of all bureau recommendations for Board of Livestock judgment.

PROGRAM BENEFITS:

Employee evaluation was initiated and needed classification corrections were accomplished. As the Department director, the Board of Livestock initiated bimonthly meetings and held several Montana Administrative Code rule change hearings.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The Administrative Program will have to deal cautiously with expenditures of all its Board and several bureau costs because of the serious livestock depression and its influence on the diminished mill levy collections into the Earmarked Revenue Fund on which the Animal Health Division is dependent for more than half of its appropriated revenue for operation.

DIAGNOSTIC LABORATORY PROGRAM Disbursements \$324,916

PROGRAM DESCRIPTION: The Diagnostic Laboratory Program is responsible for providing expertise to the Department in virology, bacteriology, pathology, parasitology, and media preparation. It also provides diagnostic services for public health zoonotic diseases and tests and analyzes the wholesomeness of fluid milk and manufactured dairy products.

PROGRAM BENEFITS:

Brucellosis culturing methods were developed providing more promptness in diagnosis or absence of the disease in cattle herds. Implementation of new test procedures were made on a recently discovered swine disease in Montana, that being "Pseudorabies". The laboratory adopted improved diagnostic procedures of animal specimens leading to human exposure cases of animal rabies and made available new analytical procedures on chemical and toxicological tests of animal foods and specimens.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Greater coordination of day-to-day work with the Veterinary Research Laboratory of Montana State University in broader study of the diseases of Montana livestock as a team approach to applied research and field trial disease control. The addition of a specialist for this study direction is a must in the microbiology section.

DISEASE CONTROL PROGRAM Disbursements \$364,891

PROGRAM DESCRIPTION: The Disease Control Program is responsible for the prevention, control, and eradication of animal diseases in Montana; safeguarding the health and food production capacity of the state's livestock and poultry; and preventing the transmission of animal diseases to man.

PROGRAM BENEFITS:

The livestock industry benefited by a marked reduction in the incidence of cattle brucellosis. There was a 38 percent reduction in quarantined herds from the previous year. No anthrax, scabies or other serious diseases impairing interstate movement or embargos by states or nations were identified. Measures were in process to accomplish the statewide status of Bovine Tuberculosis Accredited Free Area to enhance acceptance of cattle by other states. No bovine tuberculosis has been found in Montana since 1944. New measures were adopted for control of Pseudorabies in swine. Surveillance was increased in the area of tested brucellosis suspect cattle and imported cattle to determine that they were not infected with brucellosis.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Coordinated office and field services to provide more complete inspection of cattle, horses, and food animals for health and identification on arrival in Montana from out-of-state shipping points.

MILK AND EGG PROGRAM Disbursements \$153,023

PROGRAM DESCRIPTION: The Milk and Egg Program is responsible for maintaining a wholesome supply of eggs, milk, milk products and manufactured dairy products for the consumer and for insuring the quality of these products for interstate and intrastate shipment.

PROGRAM BENEFITS:

The Program insured the quality of eggs sold to consumers by returning 13,000 dozen undergrade eggs to the supplier. No dairy licenses were revoked because of close surveillance. Through broader training of employees, better surveillance of dairies and egg dealers was accomplished.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

More time is needed for supervision of the field work by the Program chief.

INSPECTION AND CONTROL PROGRAM Disbursements \$1,076,392

PROGRAM DESCRIPTION: The Inspection and Control Program is responsible for the protection of livestock from theft and problems related to stray livestock.

PROGRAM BENEFITS:

Through brand recording and inspection this Program provides the livestock producer with protection against theft, movement of strays and sale of unauthorized livestock. Montana currently has 68,000 recorded brands.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

As per House Joint Resolution 91 passed by the 1977 Legislature, our laws are to be updated and revised.

PREDATORY ANIMAL CONTROL PROGRAM. Disbursements \$193,607

PROGRAM DESCRIPTION: This Program is conducted to reduce the killing and injury caused by certain predatory animals to domestic livestock

PROGRAM BENEFITS:

The following activities were conducted in support of this Program:

1. Issued 62 aerial hunting permits.
2. Trained 271 M-44 applicators.
3. Supervised the use of two full-time helicopters.
4. Continued a master project agreement with the U.S. Fish and Wildlife Service.
5. Developed a study to evaluate the use of 1080 single lethal dose baits in reducing coyote depredations.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

If EPA approves the study to evaluate the use of 1080 single lethal dose baits to reduce coyote depredations, assistance in funding will be required.

RABIES AND RODENT CONTROL PROGRAM Disbursements \$68,038

PROGRAM DESCRIPTION: This Program is conducted to develop and coordinate activities at the county level to control noxious rodent pests which are destroying food, fiber or natural resources and to prevent exposure of rabid animals to livestock and man.

PROGRAM BENEFITS:

Activities conducted in support of this Program were as follows:

1. Trained county employees plus farmers and ranchers in rodent control.
2. Evaluated the use of certain rodenticides in controlling high ground squirrel and prairie dog populations.
3. Prepared a registration application for use of 1080 grain bait to control Columbian ground squirrel damage.
4. Developed rodent control pamphlets.
5. Supervised and trained rabies control agents.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Participate in hearings EPA may schedule concerning cancellation or amending registration of certain rodenticides and predacides.

AGENCY DESCRIPTION:

Through judicious execution of its many statutory responsibilities concerning Montana's land, water, forest, and fossil fuel resources, the Department of Natural Resources and Conservation assists in maintaining and enhancing the unique quality of life in our state. Resources are managed and their development assisted to answer human needs and achieve economic well-being. Safeguards are provided so that development activities do not impose undue impacts upon the human or natural environment, unavoidable impacts are mitigated, and the resource needs of future generations can be met.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

A continuing review was made of the Department's performance with regard to affirmative action goals. Supervisory personnel involved in the employee selection procedure were regularly apprised of the importance of affirmative action in the placement and advancement of affected class members. Training sessions were held for the divisions' staffs to acquaint administrative personnel with the Equal Employment Opportunity (EEO) Program. Support was given to the establishment of an internal women's organization to promote a greater awareness of EEO and affirmative action among female employees. Selected employees were encouraged to attend EEO and related meetings and seminars. The Department's EEO policy, including notice of a complainant's right to appeal, was posted in a conspicuous location in all employee areas. All vacant Department positions were advertised with the Employment Security Division and selected minority recruiting sources; most professional positions were advertised in the major Montana newspapers. All Department position announcements and advertisements contained the phrase, "AN EQUAL OPPORTUNITY EMPLOYER." A nondiscrimination clause was placed in all contracts.

CENTRALIZED SERVICES PROGRAM Disbursements \$781,497

PROGRAM DESCRIPTION: Managerial and administrative support services essential for the effective operation of all Department divisions are performed through the Centralized Services Program. Areas of responsibility include budgeting and accounting, purchasing, systems analysis and data processing, inventory, legal counsel, personnel, library, public information and involvement, technical writing and editing, and cartography.

PROGRAM BENEFITS:

The Centralized Services Program exists primarily to assist and oversee all operations of the Department of Natural Resources and Conservation and, therefore, serves the public indirectly through the Department's various programs. It also serves as a focal point for public information, inquiry, and input into natural resources issues which affect the citizens of Montana.

The State's Youth Conservation Corps Program, funded with federal and local matching funds, is administered through the Centralized Services Program. The Department contracts with local governmental subdivisions or private nonprofit service groups to operate this summer program which each year employs over sixty youths, ages 15 to 18, to perform conservation work on public nonfederal lands.

OIL AND GAS REGULATION PROGRAM Disbursements \$270,431

PROGRAM DESCRIPTION: The Board of Oil and Gas Conservation administers Montana laws and rules designed to prevent wasteful or harmful practices in the recovery of oil and gas resources. The Oil and Gas Regulation Program includes classification of wells, well inspections and investigations, issuance of drilling permits, engineering studies, establishment of well spacing units, secondary recovery programs, pooling orders, and maintenance of a core depository, a drill cutting depository, and an individual well data library.

PROGRAM BENEFITS:

In Fiscal Year 1977, 787 wells were drilled for oil and gas in Montana, including 17 oil and 8 gas field discoveries and 11 significant field extensions. The 248 exploratory wells resulted in 25 discoveries, a success ratio of 10.0 percent. Of the 539 development wells drilled, 106 oil wells and 264 gas wells were completed for a success ratio of 68.7 percent. By promoting drilling in Montana and ensuring that sound conservation practices are followed in finding and producing oil and gas, the Program benefits the public through tax revenues, the use of these energy fuels, general economic stimulation, and prevention of spills, ground-water pollution, and other negative effects.

RESOURCE DISTRICTS SUPERVISION PROGRAM. Disbursements \$193,000

PROGRAM DESCRIPTION: The Conservation Districts Supervision Program provides supervision, assistance, and coordination to local conservation districts in their efforts toward proper development and management of land and other resources.

The Sediment Control Program assists in achieving compliance with federal water quality objectives, emphasizing county-level water quality control programs.

The purposes of the Rangeland Resource Program, established by the 1977 Legislature under the Montana Rangeland Resource Act, are to improve rangeland condition and management and to coordinate federal, state, and local range management efforts.

Under the Watershed Planning Program, state review is made of the small watershed projects funded and partially funded by the Soil Conservation Service of the U.S. Department of Agriculture under Public Law 566.

Under the Cooperative State Grazing Districts Program, advice and assistance are provided to grazing districts regarding the conservation, protection, restoration and proper use of grass, forage, and range resources.

PROGRAM BENEFITS:

During Fiscal Year 1977, the Conservation Districts Supervision Program provided assistance to 14 conservation districts in the Yellowstone River Basin in developing water reservation

PROGRAM BENEFITS: (continued)

applications. Counsel was provided to conservation districts on EPA water quality programs, water reservations, district elections, administration of the Streambed and Land Preservation Act and the Soil and Water Conservation Act, and miscellaneous resource conservation practices and projects. A request for funds resulted in a \$200,000 legislative appropriation for the 1979 Biennium for the conservation districts to fulfill new local responsibilities resulting from state and federal legislation.

The Sediment Control Program was active in an assessment of non-point sediment sources and development of an ordinance outlining land use regulation criteria to be applied to agriculture, construction, subdivision, and forest practices for sediment control. Lewis and Clark County Conservation District was assisted in developing a pilot program for water quality control, and a referendum passed by the registered rural voters of Lewis and Clark County now authorizes the conservation district to take on responsibility which would otherwise be assumed by state or federal agencies.

The Rangeland Resources Program, previously authorized by legislative resolution, aided in preparation of the Montana Rangeland Resource Act. Assistance was provided for various projects: range leaders were assisted in the preparation of county rangeland inventories and plans; county rangeland programs received help with tours, fair booths, educational efforts, and cost-sharing programs; range planning was promoted; and the condition of Montana rangeland was monitored. Efforts were coordinated between the Montana Rangeland Resource Program and the Old West Regional Range Program. A revised edition of *Montana Rangeland Resource Program* was published.

During Fiscal Year 1977, the Watershed Planning Program monitored the status of Public Law 566 watershed project planning. Six projects were in the planning stages (Whitefish Lake in Flathead County, Lower Birch Creek in Pondera County, Bozeman Creek in Gallatin County, Boulder River Watershed in Jefferson County, Battle Creek Watershed in Blaine County, and Fairview Watershed in Richland County), construction was authorized for one project (City of Browning Watershed in Glacier County), and four projects were under construction (Big Spring Creek in Fergus County, Beaver Creek in Hill County, Newland Creek in Meagher County, and Alkali Creek in Yellowstone County). Funds expended for construction and land rights on Public Law 566 projects in Fiscal Year 1977 totaled \$1,435,281, consisting of \$1,265,803 in federal funds and \$169,478 in state and local funds. Public benefits from these multi-purpose projects include flood control, recreation, fish and wildlife habitat, water supply and quality, and stimulation of local economies.

Under the Cooperative State Grazing Districts Program, Bureau of Land Management (BLM), livestock grazing studies were monitored and related information provided to ranchers. Assistance was provided in developing Memoranda of Agreement between grazing districts and the BLM. Funding was secured for the Old West Regional Commission to assist the livestock industry in monitoring progress on and providing information for the BLM's environmental impact statement on livestock grazing. Technical assistance was furnished to grazing districts involved in discussions with the U.S. Fish and Wildlife Service regarding livestock grazing on the C. M. Russell Game Range. The bylaws of several grazing districts were revised and approved.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

In connection with the supervision of conservation districts, it is recommended that interested and capable conservation districts assume those non-point sediment control functions required by Section 208 of Public Law 92-500 in coordination with overall state management by the Department of Health and Environmental Sciences, which may require implementing legislation. Conservation districts should be encouraged to plan projects and apply for renewable resource development loans and grants. Conservation districts should be funded, in conjunction with other state and federal agencies, to conduct a demonstration and education program regarding the use of "flexible" or "continuous" cropping for control of sediment and saline seep. Prime agricultural lands should be identified for various land use planning purposes.

With regard to the Rangeland Resources Program, county range leaders should be assisted in establishing county Rangeland Advisory Boards. The need for identification and control of non-point sources of sediment should be emphasized. An inventory of range-related projects in each county should be prepared as a program base. In directing landowners toward the best management practices, the cultivation of marginal lands should be discouraged. The Soil Conservation Service's Great Plains Program should be expanded to all counties in the state. Also, coordination of rangeland activities by all agencies - - local, state and federal - - should be emphasized.

As part of the Watershed Planning Program, it is recommended that Public Law 566 be used to implement water quality programs which involve non-point sources of pollution. In addition, conservation districts should be assisted in identifying off-stream storage sites, as requested by the Legislature.

Relative to the Cooperative State Grazing Districts Program, it is recommended that a range specialist be funded under the Intergovernmental Personnel Act to work with the U.S. Fish and Wildlife Service concerning C. M. Russell Game Range Planning. Also, grazing districts should be represented on the C. M. Russell Range Management Steering Committee.

In order to effectively implement the state responsibilities in the soil conservation and grazing district program, an additional field representative of the Conservation Districts Division is required to work with the eastern Montana districts.

WATER RESOURCES PROGRAM Disbursements \$2,703,680

PROGRAM DESCRIPTION: The Water Rights Program implements Article IV of the Montana Constitution and the Montana Water Use Act, which provide that any water use is a public use and that waters in the state are the property of the state, for the use of the people, and are subject to appropriation for beneficial use. Existing water rights are to be confirmed through court adjudications, a permit system is administered for new appropriations, and all water rights records are being centralized.

PROGRAM DESCRIPTION: (continued)

The primary functions of the Floodplain Management Program are to determine 100-year frequency floodway and floodplain boundaries for all streams in Montana and to manage and regulate floodprone lands and waters to prevent or alleviate flood threats to life and property. As the state's coordinating agent for the Department of Housing and Urban Development (HUD) Federal Flood Insurance Program, the Floodplain Management Program assists local political subdivisions in meeting flood insurance eligibility requirements and maintains effective local-federal relationships.

The High Plains Cooperative Program (HIPLEX) is a joint venture between Montana and the Division of Atmospheric Water Resources Management of the U.S. Bureau of Reclamation. It is designed to enhance precipitation from convective storm systems over the semi-arid northern High Plains to increase agricultural production. Montana's responsibilities include studying the ecological, social, agricultural, and economic consequences and impacts of additional precipitation; operating an extensive rain gauge network; maintaining functional radars; and analyzing meteorological and climatological data associated with the project.

The Water Engineering Program is responsible for providing engineering and related technical assistance to the state water users' associations and to other programs within the Department of Natural Resources and Conservation. The Program's goals are to enhance beneficial uses of water, improve environmental quality, and promote the safety and economic well-being of Montana citizens through engineering projects and services provided to water-related programs.

The Water Resources and Planning Program collects, compiles, and analyzes water and related land resources data; projects future water requirements; and formulates plans, alternatives, and methods of implementation in the development of a state water plan. The overall objective is to guide the use of water resources within the state.

The Water Development Program administers the Renewable Resource Development Act, which was enacted to authorize loans to qualified farmers and ranchers and loans or grants to governmental entities to develop the state's renewable resources. The Program also gives technical assistance to proposed water development projects by conducting preliminary feasibility studies.

PROGRAM BENEFITS:

During FY 1977, the Water Rights Program received 1,170 Applications for Water Use Permits - - a 42 percent increase over FY 1976 - - and issued 700 permits. The Program received 3,540 Notices of Completion of Ground-Water Development (of less than 100 gallons per minute), an increase of 91 percent over the number submitted during the previous fiscal year. There were 1,914 Certificates of Water Right issued. All records (including permits and certificates) are being microfilmed and computerized for storage, security, and acquisition of statistical data. Field collection of data for the adjudication of existing water rights (those in use prior to July 1, 1973) was completed for 1,640 declarations.

PROGRAM BENEFITS: (continued)

During FY 1977, public hearings were conducted on completed floodplain delineation studies for the following streams: Rattlesnake Creek in Missoula County, Warm Springs Creek in the Anaconda area, and all major streams in Fergus County. With assistance from the Floodplain Management Program, 11 communities became eligible for the National Flood Insurance Program during the past year; as of June 30, 1977, 64 Montana communities were participating. Department enforcement of floodplain regulations continued in Cascade and Ravalli Counties; considerable progress was made in assisting Ravalli County to begin local regulation of floodplains.

The High Plains Cooperative Program was designed to benefit the agricultural community and economy of eastern Montana. During FY 1977, greater knowledge of the climatology of eastern Montana and the physical properties of convective storm systems was acquired. A better understanding was also gained of how frequency, amount, and season of moisture affect production of the most important native range grasses and cereal grains, the transfer of energy between plant-animal communities, and community composition.

A report entitled *State Water Conservation Projects*, (March 1977), describing the status of the state's involvement in 45 active and inactive water projects built and owned by the state, was prepared by the Water Engineering Program for general distribution. Water deliveries were made to approximately 14,000 acres on the Daly Ditches Project; a construction program to upgrade the canals and canal structures on the project was continued. Construction projects completed during FY 1977 include bentonite lining on the South Side Canal near White Sulphur Springs, concrete ditch lining on the Petrolia project near Winnett, and rehabilitation of the outlet works of Painted Rocks Dam. Design for a new headworks for the Livingston Ditch Project was completed, with construction scheduled for FY 1978. The feasibility study for the Cooke City Acid Mine Drainage Project was completed and a final report written. The Water Engineering Program also assisted the Department of State Lands in preparation of an environmental impact statement on the north extension and east Decker coal mine development near Tongue River Reservoir. A Preliminary Environmental Review was begun on the Department of Fish and Game's application to build a northern pike hatchery at Tongue River Reservoir.

Under the Water Resources and Planning Program, the plan for the Flathead River Basin was presented for public hearing and was adopted by the Board of Natural Resources and Conservation as a portion of the state water plan. A final report for the Clark Fork of the Columbia River Basin Survey was drafted in cooperation with the U.S. Department of Agriculture. With assistance from the U.S. Bureau of Reclamation, a final report entitled *Supplemental Water for the Milk River* was written and submitted to the Legislature. Other reports to the Legislature included the *Upper Flathead River Basin Study* on possible impacts of Canadian coal development and *The Future of the Yellowstone River*. Four volumes evaluating the environmental impacts of water reservation applications in the Yellowstone River Basin were published and distributed.. Research to determine the potential impacts of

PROGRAM BENEFITS: (continued)

water withdrawals on the middle and lower reaches of the Yellowstone River was completed with funding from the Old West Regional Commission. Data, analyses, and projections were provided and public meetings held for the Level B Study of the Yellowstone River Basin and adjacent coal areas being done in cooperation with North Dakota, Wyoming, and the Missouri River Basin Commission.

In connection with the Water Development Program, the Legislature approved five grants (for a total of \$1 million) and one loan (in the amount of \$2 million), as authorized by the Renewable Resource Development Act. Twenty-nine loan applications were processed for individual farmers and ranchers who requested a total of \$1,799,517 for various renewable resource development projects. Technical assistance was provided for several proposed water projects, and pre-feasibility studies have been completed on a rural water system located in central Montana and a commercial fish processing cooperative in the Flathead area.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

It is recommended that appropriations and staff be increased for the Water Rights Bureau to enable the acceleration of adjudications of existing water rights in Montana, especially in the Yellowstone River Basin. Such increases would also shorten the period of time required for processing of applications for permits.

A continuation of state financial support is recommended for the High Plains Cooperative Program. This would provide essential assistance in fulfilling Montana's obligation to this project.

As the result of a court case, that portion of the Renewable Resource Development Act covering loans to individuals has been found invalid. It is recommended that the Legislature reinstate this beneficial function by amending the Act to include loan guidelines to be followed by the Department.

It is recommended that the Department continue efforts to develop hydro-power on state-owned and other similar water projects; prepare preliminary application to the Federal Energy Regulation Commission for the Broadwater-Missouri, Painted Rocks, and Deadman's Basin sites; initiate contract negotiations with potential power purchasers from the three sites; and seek funding sources for additional design development for the three sites including geologic exploration, preliminary design, and environmental impact assessment.

FOREST RESOURCES PROGRAM Disbursements \$4,251,432

PROGRAM DESCRIPTION: The Forest Resources Program encompasses a great variety of activities involved in the management and protection of Montana forests, especially those owned by the state or held in trust for the support of education.

The Fire Management phase provides fire protection services as requested by forest land-owners and local governing bodies. The Forestry Division provides direct fire control

PROGRAM DESCRIPTION: (continued) service within forest fire districts (which are formed by a vote of the landowners) and affidavit units (wherein individual landowners contract for similar service). Assistance is provided on request to local county governments in meeting their fire protection responsibilities through a formal contract with each county. In addition to fire suppression, fire prevention activities (including engineering, educational, and enforcement measures) are undertaken to eliminate preventable forest and range fires.

The Forest Management phase conducts a multiple-use management program on state-owned forest lands to secure income to several state school funds. All forest resource values must be considered, along with the environmental, social, and economic effects on the people, in management decisions. Activities include efforts to conserve water, soil, and young stands of timber; to inventory values; to provide continuous guidance through planning for developing, improving and protecting forest land capability; and to consolidate state-owned forest land ownerships, when desirable, into units which can be managed on a sustained-yield basis, thus supplying an even flow of sawlogs and other forest products for citizen use.

A forest tree nursery produces and distributes seedlings and shrubs at a price that encourages such conservation practices as shelterbelts, windbreaks, forest plantings, and wildlife cover on state and private lands.

The Forestry Assistance Program improves the management of Montana's small, privately-owned forest lands through technical forestry assistance, demonstrations, and educational means. Utilization and marketing assistance is provided to obtain maximum use of wood products, increase the stability and efficiency of forest operations and local forest product businesses, and enhance benefits to local communities.

An Insect and Disease Protection Program is carried out in cooperation with the federal government and private landowners. Studies are conducted and measures adopted to prevent and suppress outbreaks of forest insect pests and tree diseases.

An Institutional Forestry Program is carried out in cooperation with the Department of Institutions. Needed forest work is performed, but the basic objectives of the Swan River Youth Camp are to evaluate, assess, and improve the emotional stability of the young men assigned there through work experience. The work potential and skills of these young men are developed through training in the areas of forestry, carpentry, and automotive mechanics.

PROGRAM BENEFITS:

Direct fire protection maintains such forest values as timber, grazing, watershed, recreation, and aesthetics on 8½ million acres of state and private forest lands. Cooperative support to an additional 20 counties provides adequate range and forest fire protection on another 13 million acres. Fire protection helps provide an even flow of products from forest and range lands for the taxpayer and forest user.

PROGRAM BENEFITS: (continued)

During 1977, the harvest of 18,826,000 board feet of forest products brought an income of \$1,278,725 to permanent school trust funds. Special uses, such as cabins, homesites, and grazing permits, returned an additional \$49,650 to the school interest and income funds.

Site preparation for natural reseeding was completed on 681 acres. In addition, CETA crews planted 120,000 trees and thinned 1,153 acres to improve the growth on state-owned forest land.

A draft forest management plan was completed for the Swan River State Forest.

Forest inventory data collection was completed in Meagher, Park, and Gallatin Counties and begun in Carbon, Stillwater, Flathead, Lake, Lincoln, and Sanders Counties. In addition, state-owned lands are being inventoried for timber stand improvement needs.

Improving harvesting methods and sawmill operations could potentially extend Montana's timber resource by an additional 26 million board feet annually, without cutting any additional trees.

Technical forestry assistance was provided to 1,850 private woodland owners. Assistance generally consists of management planning, harvesting and marketing advice, timber sale contracts, insect and disease controls, thinning and planting of seedling trees and slash disposal. A private woodland management symposium was sponsored in Missoula, and follow-up technical forestry workshops were held throughout the state to address the various needs of private forest landowners as brought out during the symposium.

The Hazard Reduction Program operated to reduce the fire hazards created during the harvest of 530 million board feet of timber on private lands during 1976.

Insect and disease detection surveys were accomplished on 2,134,400 acres of state and private forest land. Assistance was provided to Billings and Great Falls on city and park tree insect and disease problems. Surveys of the European elm bark beetle were initiated in eight Montana cities to determine the incidence of Dutch elm disease fungus and the potential threat to American elm trees in Montana communities.

There were 1,323,975 trees and shrubs distributed from the nursery to 1,291 landowners in 53 counties for rural area conservation purposes. These included shelterbelts, windbreaks, erosion control, soil stabilization, wildlife, and reclamation plantings.

Benefits from the Institutional Forestry Work Program, in addition to the personal improvement received by the individual young men, include 7,338 man-days of project work, such as road and trail building, firefighting, bridge building, carpentry, and timber thinning. Work accomplished has a total value of \$115,924 in improvements to state forest land and related programs.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The intensive building of homes in forested areas is magnifying fire hazards and creating an additional burden on firefighters. Several forest home structures were lost to wildfires this past year. Fire prevention efforts should be intensified with forest homeowners. A full-time position should be authorized and funded for a fire law enforcement officer to investigate fire causes, demonstrate prevention methods, and enforce fire laws and regulations. Initial fire attack time should be shortened by adding a network of helicopters adequately manned and prepared to combat fires while they are still small.

Permanent right-of-way acquisitions to state forest lands should be increased by exploring possibilities of reducing cost of access and road maintenance through cost-share agreements with the U.S. Forest Service and other major landowners in areas of intermingled ownerships.

Timber stand improvement activities on state forest lands should be intensified in order to increase timber productivity and future returns to the trust fund.

Efforts should be initiated to consolidate state forest lands into more manageable units through a land exchange program.

The nursery production capacity should be expanded through use of a greenhouse system where potted stock for special uses can be grown. A walk-in cooler should be constructed to store seedlings and seeds and reduce seedling mortality at the planting site.

ENERGY PLANNING PROGRAM Disbursements \$572,180

PROGRAM DESCRIPTION: Through the Major Facility Siting Act, evaluations are made of power and energy conversion facilities proposed to be located within Montana to help ensure that the location, construction, and operation of such facilities do not adversely affect the physical environment and the citizens of the state. At the completion of each study, an environmental impact statement is issued and a recommendation made to the Board of Natural Resources and Conservation concerning whether to grant, deny, or modify the proposal.

The Renewable Alternative Energy Program was authorized in 1975 by Senate Bill No. 86 to stimulate research, development, and demonstration of renewable energy sources. Under this Program, resident Montana individuals and organizations may be awarded grants to develop non-commercial projects focusing upon such sources as solar, wind, geothermal, water and biomass.

PROGRAM BENEFITS:

During FY 1977, several projects were completed under the Major Facility Siting Act. Public hearings before the Board of Natural Resources and Conservation ended concerning the Clyde Park-Dillon 161 kV transmission line application; draft and final environmental impact statements were issued and public hearings started on the Anaconda-Hamilton 161 kV transmission line application; and a preliminary environmental review was completed for the Broadview-Grassrange-Glengarry 100 kV transmission line application.

PROGRAM BENEFITS: (continued)

Under the Renewable Alternative Energy Program, 48 grants totaling \$535,956 were given to Montana residents and organizations during FY 1977. In that the funded projects are distributed throughout the state, the general public should become more aware of possible alternative energy uses. In addition, many of these projects will serve as a basis for evaluating the practicality and efficiency of various systems. Several research programs were funded toward obtaining essential baseline data for designing and developing new systems.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

It is recommended that the Energy Planning Division initiate an ongoing effort to project state-wide electrical energy needs. In this way, the Division would be better able to begin evaluating the need for facilities included in annual long-range plans filed by potential applicants. This would enable the state, the public, and potential applicants to work together at an early stage in the facility planning process, thereby reducing the potential for disagreement and controversy after an application is filed and speeding the decision-making process.

It is recommended that an indirect siting study be conducted to identify areas within Montana which are unsuitable for energy and coal conversion facility siting. Such a study would allow the state to protect these areas from major energy facility development and would reduce the potential for conflict between the state, the applicant, and area residents over proposed site locations.

Additional research should be conducted on the impacts of transmission lines on the environment. At present, considerable impact assessment is based upon extrapolation and theoretical considerations rather than actual field studies and observations of existing transmission lines in Montana. More quantified predictions of impacts, both positive and negative, are necessary.

It is recommended that the results of renewable alternative energy grant projects be made available to the public. The Program is now progressing beyond the formative stages, and projects funded during the first grant period are being completed. In order to ensure that the public benefits from the results, an aggressive, wide-ranging public information program is necessary.

AGENCY DESCRIPTION:

The Department of Revenue has been established to uniformly administer all state taxes so that persons, property, and corporate interests are taxed as provided by Montana law; and to provide the Governor and the Legislature information on fiscal problems, revenue, and tax structures of state and local governments.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The Department has completed and is in the process of implementing its Affirmative Action Plan. This plan provides that specific action be taken in areas of policy dissemination, recruitment, selection, job structuring, upward mobility, personnel actions, complaint procedures and reporting.

DIRECTOR'S OFFICE PROGRAM Disbursements \$130,836

PROGRAM DESCRIPTION: The Director's Office directs and supervises all Department programs to ensure that the Department is in compliance with legislative, executive, and judicial mandates.

AUDIT AND ACCOUNTING PROGRAM Disbursements \$554,858

PROGRAM DESCRIPTION: The Audit and Accounting Division is a support division within the Department of Revenue. This Division supports (1) the Department of Revenue operations in accounting services, cash receiving, payroll, and internal review and (2) other state agencies in the collection of bad debt receivables.

PROGRAM BENEFITS:

The Audit and Accounting Division provides fiscal reports or information to the public on revenue collections by the Department and liquor operations.

Another objective of the Division is to assist other divisions in the Department in the development of more efficient, effective and economical systems used to process revenue data. For example, during FY 1977 an automated Child Support Accounting System was developed that will improve the process through which welfare dollars are returned to the federal, state, and county governments.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Some additional automation of the accounting and cashiering functions would improve the efficiency of those functions. In both instances automation would eliminate duplicated manual procedures currently necessary for control and accuracy purposes.

RESEARCH PROGRAM Disbursements \$152,194

PROGRAM DESCRIPTION: The Research Division provides detailed study of questions concerned with impact on state revenue resulting from legislative action, executive decisions, and changes in economic patterns. It provides fact-finding service, answers to taxpayer correspondence, and public information concerning Department activities. In addition, it generates major statistical reports and provides some assistance in analyzing questions concerning internal management problems.

PROGRAM BENEFITS:

The Research Division compiled and published reports concerning the Department, reflecting revenues collected, property assessments and valuations, livestock information and other data in which the general public is interested. The *Montana Taxpayer's Digest*, a publication describing the various taxes levied by the state, was revised to reflect changes made by the 1977 legislative session. The Research Division also compiled fiscal notes on the revenue impact of 174 bills proposed during the legislative session and prepared revenue forecasts for Coal Severance Tax and Individual Income Tax.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

- Capture historical data on computer to assist in forecasting purposes.
- Gather data base for income and property tax in order to sample for taxpayer survey.
- Rebuild income tax, natural gas and corporation tax system for revenue estimating purposes.
- Develop systems to provide management with information on optimum staffing levels, peak workload trends, etc.

LEGAL PROGRAM Disbursements \$155,050

PROGRAM DESCRIPTION: The Legal Division represents all divisions of the Department of Revenue: Director's Office, Audit and Accounting, Corporation Tax, Data Processing, Income Tax, Inheritance Tax, Investigations, Liquor, Miscellaneous Tax, Motor Fuel Tax, Operations, Property Assessment, and Research in legal matters. Examples of specific duties performed are: legal opinions on ramifications of departmental policy; performance of litigation for all divisions; legal opinions for all divisions; processing of all rules and regulations; drafting of legislation; legal research for all divisions; debt collection litigation and negotiation; review and approval of all contracts, leases and other agreements.

PROGRAM BENEFITS:

The Program provided for the collection of revenues mandated by state law in the most fair and equitable manner possible. This benefit includes making decisions on the litigation or

PROGRAM BENEFITS: (continued)

settlement of contested matters. Collection of revenues includes not only the statutory taxes but also recovery of taxpayer dollars in the debt collection and child support enforcement/welfare fraud areas. The conferring, denial and suspension of licenses and departmental participation in same has a substantial impact on tax collections. Departmental policy that the primary concern must be the consideration of taxpayer grievances adds considerably to the benefit derived from the Program.

Other benefits are the recovery of taxpayer dollars expended on child support and welfare. Where support and welfare monies have been expended, support can be forthcoming from the husband and the program aids in collecting that revenue. Where by fraudulent methods, welfare monies are received wrongfully, the Program benefits in the recovery of those monies. The Department is designated as the state IV-D and IV-A agency. This is a federally mandated duty.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Carry out a program of major legislative recodification in all areas of revenue statutes.

Provide for centralization of the auditing function.

Insert an intermediate level of review of audits to lessen the number of unnecessary hearings.

Provide major state policy in the area of Indian-State relations lessening the scope of conflict between Indians, Indian tribes and state officials.

Provide for a departmental hearings officer to conduct all department hearings.

Provide legislative guidance in the nature of whether child support enforcement/welfare fraud actions are misdemeanors or felonies.

Provide legislative guidance on the nature of the county attorney's duties in the child support enforcement/welfare fraud area, preferably requiring assistance of county attorney's in those areas and providing adequate funding for such assistance.

Provide legislative clarification for the Department in its responsibilities in bringing paternity actions. While the Department feels it has such jurisdiction, clarification of the statutes would be helpful.

LIQUOR PROGRAM Disbursements \$53,050,285

PROGRAM DESCRIPTION: The Liquor Division is responsible for the fair and equitable administration of the Montana Liquor Control Laws, with the goal of effective regulation of the manufacture, sale and consumption of alcoholic beverages in the state, and marketing a reasonable variety of these beverages for distribution through the state store system to yield maximum profit at a fair price to the consumer.

PROGRAM BENEFITS:

The Program improved service and product availability to consumers which resulted in a profit in FY 1977 of \$7,784,512, an increase of 12 percent over FY 1976; continued management training for Division and store personnel through the stores' Advisory Council; converted unprofitable stores to agencies; relocated Division offices to Capitol Complex which has improved communication with support division (data processing, accounting, legal and investigation); and developed additional computerized data to improve inventory and sales information systems.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Need complete review and revision of Division information systems to eliminate unnecessary or repetitive data reports and provide only essential and useful reports.

Review and rewrite Division regulations to clarify existing statutes.

Improve language for ease of interpretation and general update to correspond with recodification of statutes that occurred in 1976.

Install electronic calculators in state stores which will transmit sales information direct to computer enabling the Division to capture sales data more efficiently. This will enhance the purchase ordering capability.

INCOME TAX DIVISION Disbursements \$853,630

PROGRAM DESCRIPTION: The Income Tax Division administers the Montana Income Tax statutes, consistent with the realities of economic considerations, to the extent that every taxpayer pays no more or no less tax than is legally due.

PROGRAM BENEFITS:

The Division processed approximately 145,461 refund returns by May 5, 1977, with the average refund being issued to the taxpayer in fourteen days.

The Audit Bureau has been using a new selective audit program by utilizing the computer to select over 80 different types to be used in the office and field audits.

Assessments of \$2,342,525 were made by the audit staff at a cost of \$304,398, showing a possible return of \$7.70 for each one dollar of cost.

The Withholding Tax Bureau participated in Small Business clinics sponsored by the Chamber of Commerce. Meetings were held with over 2,000 business people in 14 major Montana cities the past year. At each meeting the necessary forms for filing were explained and questions were answered.

PROGRAM BENEFITS: (continued)

A new toll free line was approved by the Legislature which helps taxpayers file their individual state form. This service will be available January through May 1, 1978.

New positions were authorized by the Legislature which will allow the Division to establish a field audit program.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Amend Section 84-4905, R.C.M. 1947, to include gain on sale of personal residence when taxpayer is moving out of the state. This would eliminate the loss of tax dollars on the gain which was received in the state.

Study on each job position within the Division and set up a new structural and evaluation chart. This will help the Division and the public to better understand our duties.

CORPORATION TAX PROGRAM Disbursements \$327,837

PROGRAM DESCRIPTION: The Corporation Tax Program is responsible for efficient and equitable administration of Montana corporation license/income tax laws. The Program systematically reviews or audits all returns received, either in the office or at the taxpayer's place of business, to insure that Montana taxable income has properly been determined and that all requisite taxes have been paid.

PROGRAM BENEFITS:

Collected \$24,957,733 from corporation license tax, corporation income tax, penalties and interest.

During the year, field audits were conducted in Minneapolis, Cleveland, Detroit, Indianapolis, Morristown (New Jersey), Tulsa, New York City, Dallas, Kansas City, Seattle, Chicago, and other cities throughout the United States. Twenty-two of these field audits were completed. The total amount assessed was \$1,088,670 for the 5,966 man hours expended. This represents an assessment of \$182 per man hour. Field audit collections for the year totaled \$605,838.

Assessments were issued to 1,255 corporations as a result of tax return reviews in the Helena office. This required 5,045 man hours and resulted in a total amount of \$587,586. Office audit collections for the year total \$573,534.

Investigative research revealed 125 corporations doing business in the state, but not filing tax returns. These corporations are now filing and have paid \$286,493 in prior years' taxes, penalty and interest.

PROGRAM BENEFITS: (continued)

As a result of audits conducted by the Multistate Tax Commission, two audits were assessed with a total amount due of \$3,501. Three prior audits were collected with the state receiving \$111,030.

The total cost of the Montana audit program for the year, including personal services, operating expenses, and equipment, was \$233,298. The total amount collected as a result of audits was \$1,465,865. This represents a return of \$6.28 for each dollar of Program cost.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Expedite the auditing and processing of refund claims.

Expedite the response to taxpayer requests and inquiries.

Develop and establish a more efficient system for processing and office auditing tax returns and related documents.

Develop, or participate in, specialized technical training programs for the professional development of the audit staff to improve the capabilities and proficiency of the audit staff.

To the extent feasible, intensify the tax jurisdiction (nexus) investigation of corporations who are not correctly filing Montana corporation license tax returns.

PROPERTY TAX DIVISION Disbursements \$7,023,127

PROGRAM DESCRIPTION: The Property Assessment Program appraises, assesses and establishes the taxable value of all property subject to ad valorem property taxation in the State of Montana.

PROGRAM BENEFITS:

Distributed and processed 155,000 applications for Homestead Owner's Tax Relief Act.

Completed revaluation of 70 percent of real property and improvements.

Implemented tax on gross proceeds of metal mines as a replacement for the net proceeds tax.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Complete revaluation of all real property and improvements for 1978.

Continue to build data base for computer assisted appraisal system for residential property.

MISCELLANEOUS TAX PROGRAM Disbursements \$243,778

PROGRAM DESCRIPTION: The Miscellaneous Tax Program is responsible for the administration and collection of twenty-four state-level licenses and taxes, and for the enforcement of the minimum cigarette price laws.

PROGRAM BENEFITS:

This Division was able to administer and collect the following taxes and licenses for FY 1977:

Oil Producer's Tax	\$ 6,884,718
Coal Severance Tax	34,469,814
Retail Coal Dealers License Tax	117
Cement and Gypsum License Tax	157,603
Natural Gas Producer's Severance Tax	527,603
Electrical Energy License Tax	1,271,109
Telephone Companies License Tax	1,243,602
Telegraph Companies License Tax	1,751
Micaceous Mineral Mines License Tax	10,818
Freight Line Companies License Tax	568,326
Public Contractor's Licenses	137,575
Metalliferous Mines License Tax	2,177,777
Sleeping Car Companies License Tax	0
Rural Electric and Co-op License Tax	9,122
In-Lieu-Of Taxes	1,032
Resource Indemnity Trust Tax	2,211,953
Consumer Counsel Tax	177,336
Contractors Gross Receipts Tax (net after refunds and credits)	62,419
Store Licenses	291,840
Cigarette Tax	11,134,814
Cigarette Licenses	18,995
Tobacco Products Tax	288,045
Camper Certificates and Decals	40,833
Express Lines Company Tax	0

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Transfer the Consumer Council Tax to the Public Service Commission.

Coordinate licensing of new business with other state agencies in order to provide, or at least consider, a one-stop contact for new businessmen.

MOTOR FUELS TAX PROGRAM Disbursements \$337,563

PROGRAM DESCRIPTION: The Motor Fuels Tax Program is responsible for the administration of motor fuel tax laws. The Program licenses and collects fuel taxes from gasoline distributors, special fuel dealers and users.

PROGRAM BENEFITS:

Revenue collected from the Program benefits the general public as it is earmarked for highway, state parks and airport improvements.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Continue to improve the gasoline tax refund program and the program allowing special fuel users a refund for credits so those persons claiming a refund may receive it promptly.

OPERATIONS PROGRAM Disbursements \$251,572

PROGRAM DESCRIPTION: The Operations Division provides personnel, labor relations, E.E.O., supply, mail, word processing, and other supportive functions for the Department. These functions serve all divisions which in some cases operate in remote areas of the state. Major subfunctions involved are: personnel record keeping, position classification, pay administration, benefits administration, recruitment, referral, labor negotiations, labor contract administration, affirmative action, purchasing, warehousing and maintaining an inventory of supplies and office materials.

PROGRAM BENEFITS:

Through this Program benefits accrue to the general public in the form of improved efficiency through better utilization of human resources. Savings are created through the use of specialized equipment and through efforts resulting in economical purchasing.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Review and revise all statutes and administrative rules affecting benefits administration to reduce their complexity and make them easier to administer.

Review the system of job classification and strengthen the standard measure applied in job evaluation. This will result in a more consistent structure which is easier to apply.

Provide training in labor contract administration for agency supervisors. Most problems in contract administration stem from an action by a supervisor. If inappropriate actions can be reduced, problems will be fewer.

DATA PROCESSING PROGRAM Disbursements \$482,781

PROGRAM DESCRIPTION: The Data Processing Program provides centralized data processing services (Systems Design and Programming, Data Conversion, and Computer Processing) to all programs established in the Department of Revenue.

PROGRAM BENEFITS:

Benefits of the Data Processing Program are related to the ability to provide data processing services to the various programs within the Department of Revenue at the least cost with the greatest responsiveness to the program needs. This includes the capability to quickly respond to legislative requirements for new or existing programs.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Establish the required technical capability to take full advantage of dramatic technological changes in the data processing field. Several appropriate areas where additional technical competency must be developed are: point of sales design, teleprocessing network design, and data base management capabilities.

INVESTIGATION PROGRAM Disbursements \$588,898

PROGRAM DESCRIPTION: The Investigation Program has three primary areas of responsibility: welfare and tax fraud, alcohol and tobacco control, and child support enforcement. Investigation results of criminal or civil nature are made available to appropriate prosecuting agencies for litigation. The Investigation Division is available as a support agency to the other divisions within the Department of Revenue.

PROGRAM BENEFITS:

Food Stamp Fraud: 64 cases were assigned for investigation, 12 were closed and 3 are pending prosecution. (These figures reflect cases assigned to this unit involving only Food Stamps. The other fraud cases may contain food stamps, but are worked and recorded as combination ADC/GW/Food Stamps.)

General Welfare Fraud: 547 cases were assigned and 275 were closed.

Of cases assigned for prosecution, 3 were dismissed, 14 are pending, and 9 were successfully prosecuted (i.e., resulting in either plea bargaining, conviction, or restitution) resulting in \$10,645 in collections and/or fines.

Alcoholic Beverage Control: During FY 1977, this Bureau processed 540 applications for alcoholic beverage licenses; checked backgrounds on 790 applicants, managers, and stockholders; handled a total of 24 violations (14 reported by the Division, and 10 reported by local law enforcement agencies); and issued 75 correction notices.

Child Support Enforcement: The Child Support Enforcement Bureau was established to collect child support from absent parents to keep the families of such absent parents off welfare and to insure the absent parent meets the legal and moral obligation to support the children. In enforcing the child support laws, we are helping to reduce the welfare and assistance costs to the taxpayers of the state.

PROGRAM BENEFITS: (continued)

A computerized system has been implemented to more accurately control payments and to keep better records on those who are not paying.

While all other welfare costs in the state have risen at a considerable rate, the cost of Aid to Dependent Children has gone down by two percent. This can be directly attributed to the efforts of the Child Support Enforcement Bureau.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

In all areas of activity, the Investigation Division is falling behind in their workload. Man-power shortage is the primary concern of the Division. Expanded programs and new programs, such as Medicaid-Medicare Fraud and Abuse Project, create new workload demands which cannot be met with present staff.

INHERITANCE TAX PROGRAM Disbursements \$116,648

PROGRAM DESCRIPTION: The Inheritance Tax Program administers, determines, and collects inheritance taxes. It also administers unclaimed and escheated property.

PROGRAM BENEFITS:

The Program collected about \$6.5 million for the General Fund and about \$150,000 into earmarked revenue accounts.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Prepare a handbook for the general public which gives the basic information needed when a relative has died. This handbook would clarify many areas of probate and death taxation.

Amend Montana's Escheated Estate Act to clarify some provisions and to realign others to agree with the new probate code. These changes would permit a more uniform handling of escheated estates and better protection for heirs, if found.

AGENCY DESCRIPTION:

The Department's major responsibilities include providing centralized services in the following areas: accounting control; financial reporting; Capitol buildings and grounds maintenance; Capitol security; telephone, radio and microwave communication; state building program administration; building codes regulation; data processing; investing state funds; insurance coverage; personnel management and labor relations; purchasing; duplicating, mail and messenger services; management systems; records management; and administering the various retirement systems.

In addition, the State Treasurer, Board of Examiners, State Tax Appeal Board, Workers' Compensation Judge, Board of Investments, Public Employees' Retirement Board, Teachers' Retirement Board, and the Merit System Council are attached to the Department for administrative purposes only.

Legislation enacted by the 1977 Legislature substantially increases the Department's responsibilities effective July 1, 1977, as follows:

The elected State Treasurer's office was abolished and the State Treasurer's duties were transferred to the Department of Administration.

The Montana Board of Housing and staff were transferred from the Department of Community Affairs to the Department of Administration.

The Board of Examiner's staff was transferred to the Department of Administration.

The Federal Surplus Property Program was transferred from the Superintendent of Public Instruction's office to the Department of Administration.

The state's electrical and plumbing inspectors were transferred from the Department of Professional and Occupational Licensing to the Department of Administration.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The Department published an Affirmative Action Plan for all state government. We are now developing an Affirmative Action Plan that is specifically tailored for the Department of Administration. The Department uses the services of the Employment Security Division to advertise departmental openings statewide in an effort to attract qualified persons for state employment regardless of age, creed or sex.

ACCOUNTING PROGRAM Disbursements \$481,951

PROGRAM DESCRIPTION: The Accounting Program operates the computer-driven State-wide Budgeting and Accounting System (SBAS), which is utilized by all state agencies. In addition to monitoring the System, technical and financial assistance is provided to user agencies. Pre-audits of input documents are performed, output reports are produced monthly, and a comprehensive annual financial report is published.

PROGRAM BENEFITS:

The more efficient our system is, the more timely state vendors receive payment for goods and services provided. In FY 1977, a state warrant was generally mailed out 24 hours after receiving a user agency document. Also, the more accurate SBAS reports are, the more accurate financial decisions can be made by the Legislature and agencies of state government. Each year the System is improved and during FY 1977 the University System's operations were totally included in SBAS.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

SBAS is five years old, an age when most systems are in need of improvement. The 45th Legislature appropriated \$700,000 to generally upgrade SBAS and to specifically add features so that the University System could totally utilize SBAS without employing paralleling systems. This, a joint effort project, is designed to be implemented during the 1979 Biennium.

In addition, the Accounting Division intends to make on-site contact with all state agencies during the 1979 Biennium so that we may understand agency needs and thereby offer our assistance in the most proficient manner possible. The combination of the upgrade and the on-site assistance should produce significantly improved agency understanding and use of SBAS.

ARCHITECTURE AND ENGINEERING PROGRAM Disbursements \$19,389,043

PROGRAM DESCRIPTION: The Architecture and Engineering Program is responsible for overseeing the planning, designing and awarding of bids, and construction and inspection of all state public buildings and structures, except for those relating to the state's highway system. The Program is to promote functional and aesthetically planned buildings to meet both present and future needs at a reasonable cost.

PROGRAM BENEFITS:

Through efficient management of the Program, the general public reaps the obvious benefits of an economically sound construction program based upon proven needs.

Each building project is designed to be efficient as well as functional so that the dollars are spent in the best possible manner. During actual construction, inspections are made to insure that quality control is maintained on all projects undertaken.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Construction projects could be expedited, thus saving valuable time and money, if the Board of Examiners would delegate to the Director of the Department of Administration the authority to solicit bids, conduct bid openings, and, upon approval of awards by the Board of Examiners, execute construction contracts.

The Legislature approved a bill which raised the limits on project construction documents that can be prepared by the Department of Administration from \$10,000 to \$25,000. In conjunction with this, a recommendation is made that the limits on construction projects which now must be advertised, bid and awarded under the supervision, and with the approval of the Board of Examiners, be correspondingly raised from \$10,000 to \$25,000. Once again, this will expedite the overall process saving time and money.

BOARD OF EXAMINERS PROGRAM Disbursements \$1,759,039

PROGRAM DESCRIPTION: The Board of Examiners approves the construction and renovation of state buildings costing more than \$10,000; administers the Vietnam Honorarium Program; and repairs and maintains the roll-call and sound system in the Senate chambers.

PROGRAM BENEFITS:

This Program awarded 73 construction contracts covering 47 projects amounting to \$17,484,291. These projects, when completed, will add or improve state facilities throughout the state and, in the meantime, provide significant employment and work in the state's construction industry.

The Program also substantially completed the program of paying bonuses to combat zone veterans or their relatives of the Vietnam War. A total of 495 claimants were paid \$105,750. To date the program has paid 11,840 claimants \$2,758,000.

The Program also paid legislative approved court judgments against the state of \$1,548,571.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The bidding and awarding of construction projects should be expedited to eliminate unnecessary time delays and increases in construction costs.

BUILDING CODES PROGRAM Disbursements \$73,841

PROGRAM DESCRIPTION: The Building Codes Program is responsible for establishing and enforcing minimum building, including factory-built buildings and recreational vehicles, design and construction standards to safeguard the public. The Program is also responsible for reviewing plans of public buildings for energy conservation features, and for inspecting and certifying elevators.

PROGRAM BENEFITS:

The Building Codes Program helps insure the public that public buildings are safe from fire, structural failure and other hazards.

During FY 1977, 137 commercial and school building plans were reviewed; 218 factory-built buildings and recreational vehicle plans were reviewed; 5,864 factory built and recreational vehicle inspection approval insignias were issued; and one commercial building was razed.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Not all phases of the Program have been implemented. Those programs to be implemented are (1) an elevator inspection program, (2) building permit program, (3) energy conservation program, and (4) a mechanical inspection program.

The benefits to be derived from implementation of these recommendations are as follows:

1. Elevator Inspection Program - Presently elevators are not inspected or certified as to their safety. This program would, within reason, assure persons using elevators that minimum safety devices are functioning to prevent injury or death.
2. Building Permit Program - Presently plans for "public places" are reviewed for safety requirements; however, no field inspections are being performed to guarantee that construction is as per approved plans. The permit program would provide funding for checking construction to assure compliance with approved plans.
3. Energy Conservation Program - This program would assure that buildings were being constructed in a manner that would minimize the use of energy for heating, cooling, and lighting.
4. Mechanical Inspection Program - Presently there are no mechanical inspections. This program would assure Montana's citizens using "public places" that they are not being subjected to undue dangers from faulty installations of heating, ventilating, cooling, refrigeration systems, incinerators, or other heat-producing appliances.

COMMUNICATIONS PROGRAM Disbursements \$1,440,771

PROGRAM DESCRIPTION: The Communications Program provides all required voice, data and video communications systems and services to all state agencies at the most efficient, effective and economical levels possible.

PROGRAM BENEFITS:

The Program:

1. Implemented and continued to improve the State Telephone Accounting System to provide more accurate and timely usage information to state agencies.
2. Developed and implemented a telephone traffic analysis program and network trouble detection program to insure a satisfactory quality level of service is maintained on the State Telephone System.

PROGRAM BENEFITS: (continued)

3. Implemented the nationwide WATS circuits to reduce agencies' long distance costs by more than 25%.
4. Analyzed and processed 665 State Telephone Service Requests ranging from single line installations to complex major agency relocations or modifications. Performed twelve detailed telephone system analyses and made recommendations to improve operational efficiency and economy of systems. Six such analyses resulted in increased efficiency at the same or lower monthly costs.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Current restrictions placed upon the State Telephone System regarding the collection of call information data and the inclusion of this data in the monthly usage reports should be removed for better management of state telephone facilities.

COMPUTER SERVICES PROGRAM Disbursements \$2,617,055

PROGRAM DESCRIPTION: The Computer Services Program is responsible for providing centralized data processing services to state agencies in an efficient and economical manner.

PROGRAM BENEFITS:

Increased utilization of the computer system during the past year has enabled the program to absorb increased equipment and supply costs and still reduce computer processing costs by approximately 29%.

A consultant helped us develop a Long Range Information Processing Plan for the state. This comprehensive plan has helped us improve our organization and operating procedures to better serve the user agencies. It also gives us the framework to better control the future growth of data processing in the state.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The state should closely follow and adhere to the recommendations contained in the Long Range Information Processing Plan.

DIRECTOR'S OFFICE PROGRAM Disbursements \$140,079

PROGRAM DESCRIPTION: The Director's Office Program is responsible for overall supervision and coordination of the programs and divisions of the Department of Administration, including the various "attached to" agencies. Duties also include accounting and budgeting for the Department's operations, office space allocations and property leases in the Helena area, management and control of emergency and disaster funds, and administration of the Statewide Deferred Compensation Plan.

PROGRAM BENEFITS:

By centralizing the many services performed by the Department, duplication is eliminated and savings are realized. Responsibility for developing, implementing and administering these assigned duties in state government is clearly defined.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Continue to upgrade the central services unit by centralizing more functions.

Seek alternatives to address the costly and time consuming impact of the provisions of House Bill 77, which requires certain operational rules to be published in the Montana Administrative Codes.

EDUCATIONAL TELEVISION PROGRAM Disbursements \$5,307

PROGRAM DESCRIPTION: The Educational Television Program was discontinued by the Forty-fourth Legislature. All expenditures made under this program were for paying outstanding obligations previously incurred by the Educational Television Program.

EMERGENCY AND DISASTER PROGRAM Disbursements \$30,595

PROGRAM DESCRIPTION: The Emergency and Disaster Program was established to provide emergency financial assistance as required. Funds are disbursed after the Governor declares a state of emergency and the estimated losses exceed the resources of the local governmental units. Section 79-2501-2503, R.C.M. 1947, authorizes the Governor, during a declared emergency, to expend from the General Fund up to \$750,000 in any one biennium.

PROGRAM BENEFITS:

A total of \$30,595 was transferred to the town of Froid to repair extensive flood damage to the town's public works.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Continue program at present level.

GENERAL SERVICES PROGRAM Disbursements \$1,847,746

PROGRAM DESCRIPTION: The General Services Program is responsible for buildings and grounds maintenance, repair and security in the Capitol complex; coordination of energy conservation for state facilities statewide; duplicating, copying, mail and messenger services; and collection of salvage paper in the Helena area.

PROGRAM BENEFITS:

The Program provides clean, comfortable and pleasant surroundings for elected officials, state employees, and guests, and economical, efficient centralized duplicating, copying, mail and messenger services for state agencies.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

We recommend that mail and messenger services in the Capitol complex be centralized more fully to avoid duplication and thereby provide faster and more efficient service at less cost.

GRAND JURY INVESTIGATION PROGRAM Disbursements \$20,338

PROGRAM DESCRIPTION: This program was created to financially support the Lewis and Clark County Grand Jury in its Workers' Compensation Division investigation. The state's support of this study terminated on June 30, 1977.

INFORMATION SYSTEMS PROGRAM

This program was created in April, 1977, when it was separated from the old Data Processing Program. Operating costs for the fractional year are included in the costs shown for the new Computer Services Program.

PROGRAM DESCRIPTION: The Information Systems Program is responsible for the development and maintenance of cost effective computer systems that satisfy state agency requirements. In addition, this Program is responsible for developing, maintaining and enforcing system development standards and procedures, and developing a training program for the state's computer programmers and system analysts.

PROGRAM BENEFITS:

The Program provides state decision makers with cost effective information from which meaningful decisions can be made for the operation of state government. A staff of well trained computer programmers and analysts help assure that the state's investment in computer equipment and programs are operating efficiently.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

We recommend that efforts be continued to complete the development and implementation of Statewide Standards for Systems Development and that the proposed project control system be installed.

INSURANCE AND LEGAL PROGRAM Disbursements \$2,755,749

PROGRAM DESCRIPTION: The Program is responsible for administering the state's comprehensive insurance and risk management plan at the most favorable cost. The Program also provides legal services to the Department of Administration and its attached agencies.

PROGRAM BENEFITS:

The Program provides insurance protection for all state property. It also provides a means by which the public can obtain redress for claims against the state, while at the same time providing a defense for the state and its employees from fictitious and unwarranted claims.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

More staff should be made available to survey the insurance needs of the state and provide risk management services, including education and safety training to reduce the number and severity of claims. This would provide more efficient service to the public while also providing more adequate defense for the state and its employees.

INVESTMENT PROGRAM Disbursements \$253,581

PROGRAM DESCRIPTION: The Board of Investments has the sole authority to invest state funds in accordance with Montana law. In addition, it is authorized to provide investment services for local governments if so requested.

PROGRAM BENEFITS:

Investment income distributed to the General Fund from surplus treasury cash investments amounted to \$9,894,000. Since the inception of the Board of Investments in August, 1971, surplus treasury cash investment income placed in the General Fund has amounted to \$45,865,000.

Also, the Program:

1. Actively pursued the purchase of Montana real estate mortgages through the continued program of conducting area meetings throughout the state with the Montana financial community. Purchased were \$16,037,000 in Montana real estate loans versus \$5,950,000 last fiscal year. This represents a 169 percent increase. The total Montana mortgages owned are \$51.8 million compared to \$42.3 million in FY 1976, a 22.5 percent increase.
2. Continued the bond swapping program, increasing investment income by \$95,500. The accumulated increase to investment income is now producing approximately \$2,445,000 additional income each year.
3. Continued to provide the services of the Short-term Investment Pool (STIP) to state funds, cities, counties, hospital and school districts. A total of 49 local governmental entities participated in STIP.
4. Increased total assets at cost under management to \$708 million from \$627 million in FY 1976, a 12.9 percent increase. Total investment income increased to \$45.9 million, up from \$40.3 million in FY 1976, a 13.8 percent increase.

MANAGEMENT SYSTEMS PROGRAM Disbursements \$166,521

PROGRAM DESCRIPTION: This Program provides for the development and maintenance of efficient, effective and economical fiscal management and administrative control systems for state government; general statewide operating policies and procedures; and management consulting services for state agencies.

PROGRAM BENEFITS:

The Program:

1. Improved the Statewide Budgeting and Accounting System's reporting capabilities.
2. Developed the proposed Leave Record Accounting System to track and report employee leave benefits.
3. Developed the proposed Property Accountability Management System to monitor the state's fixed assets.
4. Assisted state agencies on various technical projects.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Take a more aggressive posture in helping and educating state agencies in the use of the Statewide Budgeting and Accounting System.

Continue to upgrade and improve the Statewide Budgeting and Accounting System so that it will better serve the needs of the University System and state agency administration.

Complete the remaining chapters of the Montana Administrative Manuals and thereby help state agency personnel better manage their affairs.

MERIT SYSTEM PROGRAM Disbursements \$182,770

PROGRAM DESCRIPTION: The Merit System Program is responsible for obtaining qualified employees for vacant positions in state agencies that are subject to the Federal Merit System guidelines. This requires continuous recruitment, examination and certification of applicants if a list of eligible applicants for state jobs is to be maintained.

PROGRAM BENEFITS:

During the 1977 fiscal year, 2,363 positions were covered by the merit system rules. A total of 19,031 applicants were processed, of which 11,784 successfully passed the required examination and were placed on the register of eligible persons. New hires and promotions totalled 1,136.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Validate all employee selection procedures to insure compliance with Equal Employment Opportunity guidelines.

PASSENGER TRAMWAY SAFETY PROGRAM Disbursements \$1,187

PROGRAM DESCRIPTION: The Passenger Tramway Safety Program regulates the design, construction, operation, and maintenance of all ski lifts in Montana to insure the safety of the skiing public.

PROGRAM BENEFITS:

The Program assists the state's ski industry by requiring compliance with national standard safety requirements and regulations in its certification procedures and thus protects the skiing public from death or injury due to poor design, construction, operating and maintenance procedures.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Implement an education program for ski lift inspectors and operators to assist them to better understand the Code's safety requirements and how to better maintain a safe operation.

PERSONNEL PROGRAM Disbursements \$642,801

PROGRAM DESCRIPTION: The Personnel Program is responsible for administering the centralized personnel classification and pay plans, labor relations and negotiation, personnel training, equal employment opportunity function, and establishing uniform personnel policies and procedures.

PROGRAM BENEFITS:

The Classification Bureau reviewed or investigated 197 classification appeals and approximately 2,500 classification requests during FY 1977 to insure that state employees are being fairly compensated for work performed.

The Labor Relations Bureau negotiated approximately 30 pre-budget agreements and another 55 individual contracts with employee representatives, covering approximately 5,000 state employees. Blue collar and teacher salary schedules were developed during the negotiation phase. Two strikes were settled and several grievances and arbitration hearings were conducted, including a complicated unfair labor practice hearing.

The Training Unit conducted 37 workshops for over 1,000 employees of the state, local and federal sectors. In addition to the workshops, special training programs were developed and presented to individual state agencies.

The Equal Employment Opportunity Unit reviewed and granted conditional approval to 19 agency Affirmative Action Plans. Validated statistics are being developed which will be utilized to finalize the plans.

The Montana Operations Manual was expanded to include a separate volume for all personnel policies and procedures.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENTS:

Authority relative to determining position classifications should be clarified.

The recruitment and referral function should be centralized for the Executive Branch of Montana state government.

A personnel evaluation system should be developed and implemented for all state classified employees.

The statewide automated personnel management system being developed and partially implemented during the 1979 Biennium should be adequately funded to complete the system during the 1981 Biennium.

The Classification Bureau should implement more objective and specific classification evaluation/methodology techniques designed around benchmark positions within narrowly defined classification grouping. Further, a total review of class specifications should be implemented.

The Equal Employment Opportunity function should be expanded to include such concepts as job sharing and upward mobility for women and minorities.

A comprehensive wage and salary survey should be initiated prior to the development of the 1981 Biennium Executive Budget.

PUBLIC EMPLOYEES' RETIREMENT PROGRAM Disbursements \$923,057

PROGRAM DESCRIPTION: This Program provides retirement, disability and survivor benefits to the state's public employees through seven retirement systems, and administers the Federal Social Security program for 750 local governments, school districts and other special districts.

PROGRAM BENEFITS:

Economy and efficiency in the public service is effected by providing employees who become superannuated or otherwise incapacitated, without hardship or prejudice, retirement, disability or survivor benefits. During FY 1977 benefits of \$12,821,186 were paid out, and Social Security taxes collected for and transferred to the federal government totaled \$49,482,594.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENTS:

All retirement legislation be channeled through a single legislative committee to avoid duplication and fractionalization of legislation that affects benefits and funding considerations.

The administration of the Teachers' and Public Employees' Retirement Divisions should be merged to provide better service to the members of all systems by providing a single source for the dissemination and gathering of information for the members of the several systems and funds.

PURCHASING PROGRAM Disbursements \$222,125

PROGRAM DESCRIPTION: The Purchasing Program is responsible for administering the central purchasing activities for all state agencies. Agency purchase requisitions are processed in a uniform manner in accordance with established procedures and in compliance with state purchasing laws.

PROGRAM BENEFITS:

Merchandise required to meet the state's diverse needs are acquired at the lowest possible cost through volume buying and competitive bidding. During FY 1977 purchase orders were issued to successful bidders totaling over 46 million dollars.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Increase the use of annual term contracts of commonly used items and thereby eliminate the necessity of processing thousands of individual requisitions and purchase orders, while speeding up the acquisition of needed merchandise.

Encourage local governmental units to participate in the purchasing contracts and thus receive the advantages of the state's volume purchasing.

RADIO/MICROWAVE COMMUNICATIONS PROGRAM Disbursements \$241,595

PROGRAM DESCRIPTION: The Radio/Microwave Communications Program provides electronic and radio/microwave communications equipment maintenance, repair, installation, design and engineering services to state agencies.

PROGRAM BENEFITS:

The Program:

1. Provided efficient, effective, economical and timely radio/microwave service to state agencies to insure a minimum of disruption to needed communication facilities.
2. Provided design and engineering services to five major agencies to improve their communications systems and equipment.
3. Secured a very comprehensive state term contract for radio equipment and accessories at substantially reduced prices.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

All major radio/microwave equipment be placed on annual maintenance contracts so equipment will be better maintained and work can be better scheduled to improve the efficiency of the maintenance staff.

RECORDS MANAGEMENT PROGRAM Disbursements \$103,770

PROGRAM DESCRIPTION: The Records Management Program is responsible for the operation of the state's records management center, which houses approximately 7,000 cubic feet of inactive agency records. It is also responsible for the operation of the state's central microfilm service center, which filmed over 2,000,000 state documents in FY 1977.

PROGRAM BENEFITS:

The Program:

1. Provided microfilm service, record storage, retrieval and interfile services to all state agencies at generally lower costs than if the agencies each did it themselves, thereby reducing state government costs. Last year, centralized microfilm and storage services saved the state approximately \$275,000.
2. Drafted and supported enacted legislation that established a State Records Committee with the authority to develop regulations for the retention and disposal of state records.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Encourage more active agency participation in the utilization of the centralized records storage and microfilm services available.

RENEWABLE RESOURCES PROGRAM Disbursements \$405,410

PROGRAM DESCRIPTION: The Renewable Resources Program is responsible for development of Renewable Resource Programs for subdivisions of state government and for plans for state agencies. It provides for management of completed plans and for financial details to control coal tax money for the various plans. The responsibilities of this Program were transferred to the Department of Natural Resources effective July 1, 1977.

STATE TAX APPEAL BOARD PROGRAM Disbursements \$181,486

PROGRAM DESCRIPTION: The Board exercises general supervision over County Tax Appeal Boards, and hears property tax appeals by dissatisfied taxpayers from decisions of County Tax Appeal Boards. The Board also hears appeals from decisions of the Montana Department of Revenue relative to cases pertaining to inter-county property assessments, corporation license tax, income tax and Liquor Division decisions. In addition, the Board strives to efficiently perform any other services that will enable it to better respond to taxpayer needs and fulfill its constitutional and statutory requirements.

PROGRAM BENEFITS:

Taxpayers are assured of a fair hearing by an independent board and need not employ counsel or go to court to be heard on any matter. This Board publicizes the tax appeal

PROGRAM BENEFITS: (continued)

process so taxpayers understand how to go about making appeals. The Board is involved in a continuing education program for County Boards which makes the principles of taxation and tax law better understood by County Board members, who, in turn, pass on this information to other people in their area.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

More funds should be appropriated to enable the Board to conduct tax forums throughout the state. This could result in better relations with local governments and citizens throughout the state. In addition, longer and more detailed workshops should be held for the County Tax Appeal Boards. This would result in better county tax hearings and understanding of Montana tax laws. It should also result in even better acceptance of the county and state appeal process by the general public.

TEACHERS' RETIREMENT PROGRAM Disbursements \$13,628,492

PROGRAM DESCRIPTION: This Program provides retirement, disability and survivor benefits for the state's teachers in accordance with state statutes and rules, regulations and policies promulgated by the Teacher's Retirement Board. Over 17,000 active and 3,900 retired members are currently being served.

PROGRAM BENEFITS:

The state's educational system is strengthened because teachers' financial worries are alleviated by knowing their retirement years are properly provided for.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENTS:

Improve communications to the members of the Division through the use of a field representative. This individual will visit employer groups to conduct individual interviews with members to make them more aware of their rights and options.

Provide a more useful records management system by the use of microfiche and microfilming procedures. This method will provide us with a security copy of all records and alleviate storage problems for future records needs.

TRANSPORTATION OF PRISONERS PROGRAM Disbursements \$71,678

PROGRAM DESCRIPTION: The Transportation of Prisoners Program is charged with the approval and processing of travel claims submitted by the various County Sheriffs for the costs incurred for the transportation of prisoners to the State Prison at Deer Lodge and for the extradition of persons captured in other states and returned to Montana.

PROGRAM BENEFITS:

Local governments are relieved of the transportation cost incurred in taking convicted prisoners to the State Prison or bringing wanted persons back to Montana for trial.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENTS:

Draft and publish standard rules for reimbursing counties for costs incurred relative to the Transportation of Prisoners Program.

TREASURY PROGRAM Disbursements \$6,916,358

PROGRAM DESCRIPTION: The Treasury Program is responsible for the custody and accountability of all state monies and securities belonging to or held in trust by the State of Montana. In addition, it is responsible for keeping records of account of all state monies deposited in banks throughout the state and protecting these deposits by maintaining adequate pledged collateral to cover all amounts on deposit, and serving as the paying agent for all outstanding bonds payable.

PROGRAM BENEFITS:

The Treasury Program functions as the state's bank by receiving and safeguarding money, and paying it upon demand. It also functions as a trust institution in acting as custodian for the safekeeping of all securities, both invested and deposited, and in servicing the same.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENTS:

Design and implement an automated system to regularly print out all time savings certificates by bank, city, interest rate, maturity date and total.

WORKERS' COMPENSATION COURT PROGRAM Disbursements \$141,833

PROGRAM DESCRIPTION: The Court is responsible for safeguarding the interests of parties to workers' compensation cases by conducting speedy hearings and rendering prompt decisions to cases heard.

PROGRAM BENEFITS:

The Court holds hearings throughout the state and, in most cases, within the maximum time of 120 days after the filing of a petition. The average time between the filing of a petition and hearing the case is less than 50 days, thus providing the petitioner with a quick resolution of his/her problems.

The new Workers' Compensation Court eliminated steps previously required before a case was decided. This eliminated costly and lengthy procedures and helped the claimants, carriers and employers by having the cases heard quickly and close to home.

AGENCY DESCRIPTION:

The Department of Agriculture was established to encourage and promote the interests of all agricultural and allied industries in Montana and to administer regulations pertaining to the production and marketing of food and fiber products.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

1. The EEO Basic Policy Statement, as approved by the EEO Bureau, has been distributed to all recruitment sources on initial contact and disseminated to all employees.
2. The Affirmative Action Plan as authorized by the EEO and Human Rights Bureau has been maintained and followed with FY 77 goals achieved and surpassed. Affirmative Action has encompassed all aspects of the Department's operation including staffing, recruitment and training.
3. An informal and formal complaint procedure is maintained to prompt fair and impartial processing of complaints of discrimination by prospective, current, or former employees. The complaint procedure is posted in a conspicuous place on all appropriate bulletin boards with the EEO officer identified and his phone number listed.
4. A representative has been appointed to represent the Department on the Interdepartmental Coordinating Committee for Women. The representative consults all area women on the Committee's actions and reports directly to the Director of Agriculture regarding actions and recommendations.
5. Non-discrimination information posters are placed on all appropriate division bulletin boards.
6. Training and position opening announcements are distributed to all divisions and posted on appropriate bulletin boards.
7. Employee selection is based solely on job related qualification and experience without discrimination of race, color, religion, natural origin, age, marital status, ancestry, receipt of public assistance, political beliefs, physical or mental handicap, ex-offender status and sex. All applications are reviewed and ranked, based on qualifications, education and experience. References rank top applicants on identifiable qualifying factors and established non-discriminating interview questions are used in the presence of the EEO representative to insure non-discrimination and equal treatment.
8. Entrance and exit interviews are utilized to improve working conditions and identify problem areas.

ADMINISTRATION PROGRAM Disbursements \$185,856

PROGRAM DESCRIPTION: The Administration Program is responsible for providing an efficient system to coordinate inter-divisional authority and accountability in administrative functions for effective discharge of departmental responsibilities.

PROGRAM BENEFITS:

The Administration Program provides support to all other programs in the Department, performing administrative responsibilities including accounting, fiscal management, payroll, purchasing, property control and personnel.

PROGRAM BENEFITS: (continued)

The Department EEO Affirmative Action Plan was maintained and the semiannual report was filed with the EEO Bureau.

The Rural Development Unit initiated the subordination loan program to assist rural financing of farm and ranch operations with the Farmers Home Administration.

The Program serviced a case load of 141 loans.

	<u>Loans Repaid</u> <u>in FY 77</u>	<u>New Loans</u> <u>in FY 77</u>	<u>Total Loans</u> <u>Year End FY 77</u>
Federally Insured Student	1	9	19
Junior Livestock	13	19	54
Junior Agribusiness	0	1	2
Participation Real Estate	1	1	14
Federally Insured Notes	10	0	19
Real Estate	0	0	6
Subordination Operating	0	2	2

The Department of Agriculture prepared an agricultural drought response plan for the State Drought Advisory Committee to assist in minimizing financial loss to agricultural producers.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Initiate an agriculture advisory council to assist the Department in assessing the needs of Montana producers to enable more effective development and promotion of agriculture.

Establish legal counsel assistance on a contract service basis with the Department to facilitate proper administration of statutes assigned to the Department while protecting the citizens and the State of Montana through legal support, research, and interpretation.

Accommodate the Legislative Auditor's recommendation by automating departmental licensing and registration through application of data processing.

MARKETING AND TRANSPORTATION PROGRAM. Disbursements \$168,725

PROGRAM DESCRIPTION: The Transportation and Marketing Program provides technical transportation expertise to agricultural producers and commodity groups in Montana. The Program is responsible for providing leadership in agricultural product marketing with a primary responsibility to identify major needs and establish priorities in marketing from which to develop programs that will be directed toward a solution to such needs. The Program, through a cooperative agreement with the Statistical Reporting Service, U.S.D.A., is charged with the collection and publication of appropriate statistics on Montana agriculture.

PROGRAM BENEFITS:

The Transportation Program represented Montana in twelve formal matters before the Interstate Commerce Commission and at six formal cases before the Montana Public Service Commission, providing an estimated rate savings of \$2,650,000 during FY 1977. A Montana Rail Plan was developed which qualified the state for \$158,000 of federal funding to analyze impacts of loss of present rail service. The Rail Plan enables a possible qualification of Montana for a minimum of \$3,600,000 of federal funding to mitigate severe impacts to local communities from cessation of rail service.

The Marketing Program provides marketing information and assistance to enable Montana to protect its present markets and explore potential new markets for agricultural commodity producers.

The Montana Crop and Livestock Reporting Service prepares and publishes agriculture statistics by county on a statewide basis for Montana. It provides agricultural statistics to assist agriculture and agri-business sectors of Montana in their planning needs.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The Transportation Program will continue to service Montana agriculture. As time and resources allow, the Program should be developed to enable emphasis on individual agricultural commodities, resulting in an increased benefit to all Montana agricultural producers.

PESTICIDE DIVISION Disbursements \$238,158

PROGRAM DESCRIPTION: The Pesticide Program is responsible for administering the Montana Pesticide Act, the Insect Surveillance and Detection Act, and the Department's botanical and environmental programs.

PROGRAM BENEFITS:

The management of pesticides insures that only safe pesticides can be sold in the state. Users of pesticides are assured that pesticides will effectively control pests if label directions are followed. The health of Montana's citizens and the environment are protected by allowing only registered pesticides to be brought into the state and by monitoring the retail sale and field use of pesticides.

The insect and weed functions provide essential information and technical assistance on pesticides and pest management. The information provided allows producers and others to determine the most opportune time and method for achieving maximum pest management while minimizing pesticide effects on health and the environment.

The environmental function provides the Department with the mechanism to comply with the Montana Environmental Policy Act and to represent agricultural interests on numerous environmental committees and councils.

PROGRAM BENEFITS: (continued)

The Montana Pesticides Act was modified resulting in less regulation of private applicators and retailers, providing for more efficiency in administrative procedures.

Training courses on the use and application of pesticides were presented to 43 commercial applicators, 38 non-commercial applicators, 182 M-44 applicators, 43 pesticide applicators, and 128 individuals involved in individual commodity pesticide applications.

Pesticide inspections revealed and led to resolution of 40 major pesticide violations. Twenty-one major pesticide use-misuse investigations involving damage or contamination were conducted and resolved.

A survey of 50 counties for insect infestations affecting agricultural crops was conducted resulting in a determination that 1,949,440 acres of agricultural land experienced economic losses from insect depredation.

Thirty environmental impact statements and seventy-two A-95 pesticide project requests were reviewed for their affect on Montana and the agricultural sector.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Implement a data processing system to process and issue licenses and registrations, and eliminate the need for continually preparing and updating licensees and companies.

Prepare revised study manuals and examinations for pesticide applicators and dealers resulting in improved scientific and practical knowledge of applicators and dealers on the sale and use of pesticides for pest management.

Expand the program of defining, evaluating, and resolving problems encompassing areas of unique pesticide enforcement problems.

Expand survey activities to include stops in and around metropolitan areas for insect pests.

Develop a system and program of noxious plant management in geographical areas involved in a common and coordinated effort between producers and industry, and state and federal agencies. Attempt to obtain Carlson-Foley funding to control noxious weeds on federal lands adjacent to private land or on federal lands that serve as areas of continual seed dispersal.

HORTICULTURE PROGRAM Disbursements \$217,473

PROGRAM DESCRIPTION: The Horticulture Program issued 480 nursery licenses, 21 wholesale dealers in agricultural products licenses, 9 itinerant merchant licenses, 8 bean warehouseman licenses, 345 grain merchandiser licenses, and 322 agricultural seed licenses. The Program established California approved mandatory pest control districts to control

PROGRAM BENEFITS: (continued)

the Cherry Fruit Fly and identified 16 infested or abandoned orchards. Approximately 140 orchardists were contacted on insect or disease problems with 4 "Notice of Investation" issued to orchards with worm infested fruit. 85 orchards and roadside stands were surveyed for infested cherry fruit. Cherry Fruit Fly was not detected in any of the sampled fruit. Cooperative Fed-State Inspection Program inspected 2,344 tons of sweet cherries and 1,237,817 cwt of certified seed potatoes.

Agriculture field inspectors performed 6,798 visitation inspections and issued 937 multiple inspection forms while investigating and solving 281 program violations and collecting 210 seed samples and 578 feed and fertilizer samples for laboratory analysis.

The Division office issued 450 "Request for Investigation" forms requesting specific information pertaining to regulatory problems, published a new grain and seed directory, implemented legislative horticulture program changes in the seed and grain programs, conducted public hearing on proposed storage rate change for public warehouseman, responded to 750 public information requests pertaining to horticulture, seed and grain problems, and collected license and inspection fees amounting to \$125,141 for horticulture and \$14,460 for grain and seed.

The Horticulture Program performed and maintained statewide USDA-APHIS insect detection and surveillance program.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Improve inspection personnel staffing to maintain a more complete and adequate statewide inspection program.

Revise grain merchandiser bond forms.

Develop a computer data base program to compile division program statistics for management purposes and to process license applications.

Continue to assist the cherry industry and the potato industry in areas of insect and disease control.

Continue to develop and promote potential markets for all horticultural products grown in the state.

WHEAT RESEARCH AND MARKETING PROGRAM Disbursements \$368,558

PROGRAM DESCRIPTION: The Wheat Research and Marketing Program is responsible for encouraging and promoting intensive scientific and practical research into all phases of wheat and barley culture, production, marketing and use. It is responsible for collecting wheat and barley assessments from all Montana elevators and feed lots, and for reviewing and administering special studies and projects as assigned.

PROGRAM BENEFITS:

The Grain Market News Service disseminates information on grain prices and marketing to Montana grain producers.

The Montana Wheat Research and Marketing Program, in cooperation with the Governor's Office, promoted Montana grain so that Taiwanese officials were convinced to tender for U.S. No. 1 quality Montana wheat, resulting in a \$3.5 million sale. The wheat received was well above Taiwanese standards. Trade teams from Japan and Korea have visited Montana through Wheat Research and Marketing Program promotion efforts. MSU researchers have represented Montana producers in Japan, Korea, and Taiwan to present Montana production and genetic research information. Contracts with Western Wheat Associates to promote barley in the Asian area have been developed. The development of the waxy varieties of barley would result in expanded market for Montana producers.

The Montana Wheat Research and Marketing Program cooperated in and supported efforts resulting in freight rate reductions. Through the cooperation of the Marketing and Transportation Division, four intra-state rate increases, Ex-parte 310, 313, 330, 336 were not applied. Through these four denials Montana grain producers were saved approximately \$2,415,985.

The Montana Wheat Research and Marketing Program, in cooperation with farm organizations, has encouraged newspapers, radio stations, and television stations throughout Montana to place greater emphasis on agricultural news.

An annual Quality Survey provides information on the quality of Montana wheats, which is used during purchase negotiations such as the Taiwanese direct purchase of Montana grain.

Educational grants for the education of Montana men and women interested in pursuing a career in the field of agriculture were provided.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Provide for the dissemination of marketing information on a larger scale.

Enlarge overseas and domestic markets.

Develop competitive freight rates on a statewide basis.

Continue research into crop tillage systems and varieties.

Continue research on diseases which affect wheat and barley.

Open a new and better market for Montana grains through direct sales of grain to Asian customers.

Utilize an updated list of commercial feedlots to enable more efficient commercial feedlot check-off enforcement.

GRAIN LABORATORY PROGRAM Disbursements \$233,447

PROGRAM DESCRIPTION: The Program provides official, unbiased services of grain grading, protein analysis and grain sampling to serve as the basis for market value determination and settlement of price between producer and dealer.

PROGRAM BENEFITS:

The Program provided:

1. Data for quality of Montana grain, assisting in the development of markets for our grain.
2. Major benefits to Montana grain industry by providing official grain inspection services to meet changing marketing patterns, to include:

Car inspections	5,979
Sample inspections	31,399
Protein tests — official cars	6,457
Protein tests — submitted samples	44,529
Malting barley analysis	7,611
Priority samples processed (includes samples from all categories)	18,636

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Inaugurate an evaluation program for infrared protein analysis to provide the Montana grain industry with the latest technology to obtain fast, accurate results.

Continue to strive for best possible service to the user without increasing costs to the industry.

APICULTURE PROGRAM Disbursements \$39,731

PROGRAM DESCRIPTION: The primary goal of the Apiculture Program is to maintain and promote a healthy and prosperous beekeeping industry in Montana. The Apiculture Program is responsible for the enforcement of Montana's beekeeping laws, which include inspection of apiaries within the state, beehives moving interstate, and the quartering of diseased apiaries.

PROGRAM BENEFITS:

Registered 405 beekeepers, 3,970 apiaries, and 87,402 beehives.

Inspected 46,796 beehives, 21,581 for export.

Inspection and control program depressed the incidence of disease below 1%.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Upgrade inspection program to compensate for increased number of hobbyist beekeepers.

Initiate computerized registration where economically feasible to increase office efficiency.

HAIL INSURANCE PROGRAM Disbursements \$88,210

PROGRAM DESCRIPTION: The Hail Insurance Program is responsible for enforcement of Montana's hail insurance laws and for offering Montana grain growers insurance protection against crop loss due to hail.

PROGRAM BENEFITS:

2,145 hail insurance policies were issued and 273 hail losses received and adjusted. 37 counties participated in the Hail Insurance Program.

Statutory authority was secured to utilize investment practices to retain investment interest earned for the improvement of the reserve fund to levels which meet actuarial requirements necessary to increase insurable coverage levels from present \$12 limit per acre on non-irrigated land to \$24, and from \$24 to \$48 per acre on irrigated crops.

Procedures were implemented to retain premium offsets in the state treasury and mail warrants to pay loss claims directly to the farmers, thus eliminating county and state duplication of fiscal activities.

FEED AND FERTILIZER PROGRAM Disbursements \$102,374

PROGRAM DESCRIPTION: The Feed and Fertilizer Program regulates the manufacture and distribution of fertilizer and commercial animal feeds, including pet foods, to insure that products are safe, effective and correctly labeled. The Program is responsible for licensing and inspecting dealers, random sampling, analysis of products to see that quality is properly represented, and for taking legal action when needed to see that compliance is maintained.

PROGRAM BENEFITS:

578 feed and fertilizer samples were collected by agricultural inspectors in the service inspections of feed, fertilizer and related manufacturing facilities. Labels were reviewed and compared with laboratory analysis to insure proper labeling and detect any contaminants present. The Feed and Fertilizer Program protects Montana citizens against fraudulent advertising practices of related use of feed and fertilizer products. Manufacturers are required to document product claims before the products are registered, enabling sales in Montana.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Implement data processing system to process and issue registration, and update and enable coordination of inspection and sampling activities.

Provide special training to field inspection personnel to improve medicated feed mill inspections for more effective enforcement.

AGENCY DESCRIPTION:

The Department of Business Regulation was established under the Executive Reorganization Act of 1971; it is provided for in Sections 82A-401 through 496, R.C.M. 1947. The Department's function is to regulate the various business entities subject to its jurisdiction, including banks and other state chartered or licensed institutions, the milk industry, and all weighing and measuring devices in Montana. The Department also administers consumer protection laws and the Unfair Practices Act, and establishes minimum criteria for all licensed proprietary postsecondary schools.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

It is the policy of the Department of Business Regulation to provide equal employment opportunities for all persons regardless of race, color, religion, national origin, age, marital status, ancestry, receipt of public assistance, political beliefs, physical or mental handicap, ex-offender status and sex. To this end, we are implementing and will sustain a deliberate effort to equalize employment opportunities for minorities and women at all levels and in all segments of the Department's work force.

Affirmative action to eliminate discrimination on the above-named basis (except where sex, ex-offender status and/or physical or mental handicap constitute a bona fide occupational qualification) includes, but is not limited to, employment, recruitment, advertising, hiring, transfer, promotion, demotion, training, compensation, benefits, layoff, terminations and conditions of employment. All applicants for Department employment will be recruited from the available labor market and employed in accordance with each person's qualifications and abilities.

CENTRALIZED SERVICES PROGRAM Disbursements \$122,533

PROGRAM DESCRIPTION: The Centralized Services Program functions as a support to the other programs in the Department, performing day-to-day administrative responsibilities such as accounting, budgeting, payroll, purchasing, property control, personnel, and legal assistance. The Program's goal is to increase efficiency in administrative operations to provide the most effective level of support to the Department.

PROGRAM BENEFITS:

The Program provides the necessary administrative support to the other programs in the Department, performing day-to-day administrative responsibilities such as accounting, budgeting, payroll, purchasing, property control and personnel. The Departmental EEO Affirmative Action Plan has been implemented.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Increase Program staff by one FTE (Accountant) to provide professional management of budget preparation, six year plans, pilot programs, variance reports, etc. Requests and demands on this Program far outweigh the anticipated output of an efficient operation with the current level of FTEs.

WEIGHTS AND MEASURES PROGRAM Disbursements \$197,122

PROGRAM DESCRIPTION: The Weights and Measures Program is responsible for testing and inspecting all weighing and measuring devices, and calibrating all weights and measures. Also, the Program investigates complaints about violations of weights and measures laws and regulations; regulates labeling, advertising, and quantity control of pre-packaged products; licenses all state petroleum dealers; and collects license and scale test fees. The goal of the Program is to insure that equity prevails in all commercial transactions involving determination of quantity.

PROGRAM BENEFITS:

Specific benefits to the general public resulting from the operation of the Program during the last year were the issuance of 5,932 licenses, inspection and testing of the following devices: 7,955 scales; 6,646 measuring devices; 1 tank calibration, 42 measures calibrated; 918 weights calibrated; 230 complaints handled and the testing of 3,804 packages. The Program collected and deposited in the General Fund \$109,871 in license and special inspection fees.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Provide guidance and education in converting to the Metric System as well as broaden our scope to include Liquified Petroleum Gas Vapor Meters in our testing program, and increased technical training program for inspectors.

FINANCIAL PROGRAM Disbursements \$373,115

PROGRAM DESCRIPTION: The Financial Program is responsible for chartering, licensing, supervising, and examining state banks, savings and loan associations, credit unions, consumer loan licensees, and sales finance companies. The major goals of the Program are to effectively act as guardian of the public's interests in Montana's financial institutions, and to prevent loss resulting from mismanagement or insolvency of state financial organizations.

PROGRAM BENEFITS:

The Program:

1. Supervised organization and opening for business of the new Rimrock Bank of Billings.
2. Adopted new Banking Board Rules governing bank charter applications.
3. Participated in eight meetings of the Banking Board, re: new bank applications, changes of location, and rule adoptions.

PROGRAM BENEFITS: (continued)

4. Sent six examiners to three-week training schools conducted jointly by the F.D.I.C. and the Conference of State Bank Supervisors. Most of the cost of attendance was borne by the F.D.I.C. and C.S.B.S.
5. Held thirteen conferences with boards of directors of banks and instituted corrective or strengthening programs in most cases.
6. Conducted examinations of 81 banks, 51 finance companies, 9 credit unions and 3 savings and loan associations.
7. Collected and deposited in the General Fund \$226,030 in supervision, examination, license, and application fees.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Reduce employee turnover rate by increasing pay grade of experienced examiners.

Enact new legislation to give Department power to issue cease and desist orders for more effective means of eliminating hazardous, self-dealing, or irregular activities by financial institutions.

Establish an "Early Warning System" to detect adverse trends in individual banks by compilation of and analysis of data received in quarterly reports from banks.

TRADE REGULATION PROGRAM Disbursements \$33,454

PROGRAM DESCRIPTION: The Trade Regulation Program, which replaced the Board of Trade in 1973, is responsible for effectively enforcing the Unfair Practices Act and for insuring fair competition in state businesses.

PROGRAM BENEFITS:

Specific benefits to the general public resulting from the operation of the Program during the last year were receiving 40 complaints, conducting 40 investigations and confirming 24 alleged sales below cost.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The Department will attempt again in the 46th Session of the Legislature to amend the Unfair Practices Act in order to provide the necessary enforcement "teeth" that the statutes have not provided since 1937. Otherwise, the Act should be abolished.

MILK CONTROL PROGRAM Disbursements \$154,319

PROGRAM DESCRIPTION: The Milk Control Program is responsible for assuring the milk producers of Montana proper payment and equitable treatment, preventing monopolies, and assuring an adequate supply of milk at a fair price to consumers.

PROGRAM BENEFITS:

Specific benefits to the general public resulting from the operation of the Program during the last year included:

1. 397 licenses were issued.
2. 116 audit months were completed.
3. \$27,734 was recovered for producers.
4. 7 board meetings, 2 public hearings and one base plan hearing were attended.
5. 4 rules were promulgated or amended.
6. 26 price announcements were computed.
7. 57 alleged violations were investigated.
8. \$4,491 in fines were levied and collected.
9. 1,098 annual reports were disseminated.
10. 5 base committee meetings and one District Court case were attended.
11. A stable market and an adequate supply of wholesome milk were provided to consumers.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The present license fee of \$2 for each producer and distributor is deposited in the General Fund and costs much more to collect than the revenue received. It is recommended that a "one-time" license be issued to reduce costs of licensing the producers, distributors and retailers.

CONSUMER PROTECTION PROGRAM Disbursements \$50,365

PROGRAM DESCRIPTION: The Consumer Protection Program, created in 1973, is responsible for protection of the Montana consumer from unfair or deceptive acts or practices in the conduct of any trade or commerce, enforcing the provisions of the Unfair Practices Act and the Consumer Protection Act.

PROGRAM BENEFITS:

Specific benefits to the general public resulting from the operation of the Program during the last year were as follows:

1. 2,511 complaints involving \$418,312 were investigated. 976 complaints were closed resulting in \$200,584 recovery to consumers.
2. 15 "Consumer Alerts", 22 Investigative Demands, and two permanent injunctions were issued.
3. 40 meetings, workshops and seminars were attended.
4. 562 informational responses were handled.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

It will be necessary to request adequate funding from the 46th Legislative Session in order to prevent deterioration of services demanded by Montana residents in the past four years. The workload has increased over 300 percent since 1973; however, the Program still consists of 2.6 FTEs which were authorized by the Legislature in 1973.

PRIVATE POST SECONDARY EDUCATION PROGRAM Disbursements \$37,491

PROGRAM DESCRIPTION: The Private Post-Secondary Education Program is responsible for regulating proprietary post-secondary educational institutions, assuring Montanans the opportunity to obtain and receive an education commensurate with their abilities and desires.

PROGRAM BENEFITS:

Specific benefits to the general public resulting from the operation of the Program during the last year were the following:

1. Participated in two institutional inspections conducted by national accreditation agencies for the expressed purpose of gaining experience in formal inspection procedures. We have conducted formal inspections up to this point, but we are developing a consistent format to be used for all the different types of institutions we regulate.
2. We have initiated what seems to be an effective communication network with the Montana High School Counselors. We keep them current regarding the licensed institutions and soliciting school agents. We have and will continue to participate in Counselor Awareness Workshops.
3. During FY 1977 we have worked closely with the Commissioner of Higher Education's office in making sure that all non-exempted post-secondary educational institutions are regulated. We also have established a good working relationship with the Superintendent of Public Instruction's office, especially Guidance and Counseling Services.
4. During FY 1977 we have licensed sixteen domicile institutions and licensed 28 in-state agents and 25 out-of-state agents.
5. One of the forms used in our licensing procedures were restructured in order to alleviate unnecessary information without alleviating important required criteria.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The Department recommends the creation of a committee, consisting of a representative of the Superintendent of Public Instruction's office, a representative of the Commissioner of Higher Education's office, and the Bureau Chief of the Proprietary School Program, to assure that continuity and communication regarding the regulation of post-secondary education in Montana is kept open.

AGENCY DESCRIPTION:

The purpose of the Department of Institutions is provided in Section 80-1401, R.C.M. 1947, as amended. This section states: "The Department of Institutions shall utilize at maximum efficiency the resources of state government in a coordinated effort to restore the physically or mentally disabled, to rehabilitate the violators of law, to sustain the vigor and dignity of the aged, to provide for children in need of temporary protection or correctional counseling, to train children of limited mental capacity to their best potential, to rededicate the resources of the state to the productive independence of its now dependent citizens, and to coordinate and apply the principles of modern institutional administration to the institutions of the state."

In carrying out this purpose, the Department seeks to provide care and treatment services of a quality that will guarantee the rights of residents, comply with state and federal standards, and return residents of the institutions to a normal life in the community. The objectives are to improve the coordination of services provided by institutions and related community service programs, improve the administration of all institutions through development of new management techniques, and make management information readily available to the institutions.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

During FY 1977 the Department formulated its Affirmative Action Plan. This plan provides for equal opportunity to applicants and employees regardless of race, creed, sex, age, or physical handicap. The Department will insure implementation of the plan in a continual fashion to assure no discrimination in recruitment or employee relations.

CENTRAL OFFICE

DIRECTORS OFFICE Disbursements \$244,362

PROGRAM DESCRIPTION: The Director's Office of the Department of Institutions is responsible for effective coordination of operations of all state institutions, establishing policy and program directives, and providing a cohesive framework for governance of Montana's treatment facilities. The goal of the Office is effective and efficient management which will permit maximum attention and rehabilitative treatment for those in the care of Montana's institutions. In implementing this goal, the Director's Office pursues the following objectives: to maintain financial accountability for all units of the Department of Institutions; to provide staff assistance for the diagnostic, counseling, care, custody, and rehabilitative treatment programs; and to continue and coordinate the Department's program of deinstitutionalization, actively developing methods of community placement.

The Director's Office is responsible for supervision of the ten Montana institutions, and for administration of the Board of Pardons. Specific duties include policy formulation, budget presentation, department organization, and general financial management. The goal of this Program, in addition to providing effective management, is to assure that all available resources are utilized in providing maximum service to those in the care of Montana's institutions.

PROGRAM BENEFITS:

Benefits from the Director's Office are less tangible than a "laundry list" of accomplishments. Rather, the Office provides the capability to organize, manage, conceptualize and activate the overall functioning of the component parts of the organization. As such, many of the more specific benefits outlined by the several **institutions** were conceptualized, coordinated and initiated from the more general perspective of the Director's Office. For example, coordination and efforts of the legal component of the Director's Office in concert with other agencies and institutions resulted in dismissal of the federal suit at Boulder River School and Hospital. Managerial capability has continued efforts at patient transfers and deinstitutionalization. A new director of the Department was appointed during the fiscal year and the first full year of operation under a functional organization basis was completed. Within the **management** functions of the Office, the organization is continually refined and efforts are made to meet the dynamic demands of the population to be served. In this role all staff of the Director's Office function to provide the resources needed to make sound decisions. The use, development and collection of data bases (OBSCIS, ABARS, RIS) has continued.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

In a Director's Office it is clear efforts must continue to properly and adequately serve clients while meeting the everchanging demands on and for service. Clearer and better definition of missions and roles must continue. The basis of organization developed and tested over the past year must be refined and tuned to meet flexible needs. Efforts are necessary to improve evaluation of programs and assessment of programs whether it be in terms of appropriateness, procedures or outputs. Means by which evaluation can be routinized and undertaken by each program on an ongoing basis are necessary. Service delivery systems must use to advantage the resources available through the Director's Office to provide service where needed while observing legal issues. Emphasis is needed to further assess the role and future nature of continued deinstitutionalization of clients of the Department.

MANAGEMENT SERVICES DIVISION Disbursements \$904,746
 (Includes \$257,611 due to the distribution of CETA monies to the various institutions.)

PROGRAM DESCRIPTION: This Division consists of the following bureaus:

- Fiscal Bureau.
- Personnel Bureau.
- Reimbursement Bureau.

The Fiscal Bureau is responsible for budget coordination, accounting for the Central Office programs and formulating the Department's fiscal policies. The Personnel Bureau is responsible for personnel policies, central office recruitment and employee personnel records. The Reimbursement Bureau has the responsibility of administering the state's reimbursement laws.

PROGRAM BENEFITS:

The activities of the Reimbursement Bureau resulted in \$6,325,000 revenue to the state's General Fund. This amounts to approximately four percent of the total revenue to the General Fund.

Administering of EEO by the Personnel Bureau assures the public of fair and non-discriminatory recruitment practices by the Department.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Consolidation of the reimbursement function and full implementation of the Automated Billing and Accounts Receivable System will insure a more efficient and complete system of capturing and billing costs for reimbursement.

Establishing a personnel data system or being able to utilize a statewide personnel data system would insure better personnel management reporting.

ADAPTIVE SERVICES DIVISION Disbursements \$3,085,218

DIVISION DESCRIPTION:

The Alcohol and Drug Abuse Division is designated to be the single state authority for drug coordination in conformance with P.L. 91-513 and P.L. 92-255(409/410). The Division, in conformity with P.L. 91-616 and State Law 80-2711, is the State Alcohol Authority.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The Alcohol and Drug Abuse Division is an equal opportunity employer and as such adheres to prohibitions against discrimination in hiring and job performance or assignments.

SOUTHWESTERN MONTANA DRUG PROGRAM

PROGRAM DESCRIPTION: Southwestern Montana Drug Program (SMDP) exists for the purpose of providing outpatient drug-free treatment, both as a direct service provider and in a contractual setting. Additional services provided are:

1. Inpatient medical detoxification,
2. Employment and/or vocational training assistance,
3. Physical examination for patients,
4. Counselling with 17 prison inmates and Job Corps residents, and
5. Assistance as trainers to the State Training Support Program.

PROGRAM BENEFITS:

The operation of Southwestern Montana Drug Program in FY 1977 specifically benefited the general public by offering a variety of drug treatment services through drug satellites

PROGRAM BENEFITS: (continued)

that were readily accessible to the target population. The services were: outpatient treatment, medical detoxification, residential treatment, physical examinations and employment and vocational assistance to an expanded census.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Continue to improve public accessibility to all component services of the Southwestern Montana Drug Program. This was instituted by relocation of satellite offices to more accessible sites. The physical change should increase program identification and decrease client difficulty in reaching the site.

Provide more specific direction to Program function through the full-time efforts of both the administrative director and the treatment director. The response time to counseling staff questions should be greatly reduced and thus enable them to react more positively and quickly to client needs.

LIGHTHOUSE PROGRAM

PROGRAM DESCRIPTION: Lighthouse exists for the purpose of providing the only on-going, drug-free, long-term residential treatment and rehabilitation program within the state. In addition, staff participates in patient evaluations relating to drug abuse with the Warm Springs and Galen facilities.

PROGRAM BENEFITS:

The operation of Lighthouse in FY 1977 specifically benefited the general public by providing the only inpatient residential drug treatment in the state. As court resource, Lighthouse is used as an alternative to imprisonment and for offender evaluation. The rural setting of the Program is considered to be in tune with the target population and to have a positive effect on the number of voluntary patients.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Develop and refine matrices to the extent that clear-cut conclusions may be reached regarding Program focus. With the Program functioning within the framework of needs and priorities developed by the matrices, the needs of the clients and the communities will be best served.

DRUG COORDINATION PROGRAM

PROGRAM DESCRIPTION: Drug Coordination exists for the purpose of providing planning and evaluation at the administrative level. Specific functions include providing a newsletter and information clearinghouse, and initiating and monitoring mini-grants. In addition, input was made to training needs, certification standards for staff and technical assistance to local programs.

PROGRAM BENEFITS:

The operation of the Drug Coordinator function in FY 1977 specifically benefited the general public through the administration of the mini-grant programs. The programs receiving grants impacted a significant percentage of the population and focused on targets ranging from elementary students to family units with high school and college children. The various categories addressed were public information, prevention, education and intervention.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Develop and expand outpatient drug treatment in MHPR III and IV, utilizing the current Southwestern Montana Drug Program satellite and the contract agency as a base. Expansion in these contiguous regions will provide services to the majority of the population and focus upon most of the communities with the most demonstrable needs.

Through mini-grant programs, continue the efforts to heighten community awareness as to the scope and incidence of drug abuse. By impacting on the community with a variety of techniques that focus on the primary needs, it is probable that local efforts will illustrate the need for services commensurate with the heightened expectations of the community.

ALCOHOL SERVICES PROGRAM

PROGRAM DESCRIPTION: Alcohol Health Services exists as a single state authority for alcoholism programs by delegated authority from the Director. Its function is leadership in alcoholism efforts on a statewide basis which includes preparation of the state plan, searching for and identifying new funding, and coordinating, reviewing and evaluating all Program funding.

PROGRAM BENEFITS:

The operation of the Alcohol Health Services in FY 1977 specifically benefited the general public by providing the leadership necessary to improve the quality and quantity of alcohol services through the mechanisms of coordination, evaluation and technical assistance with local alcoholism programs. Quality of services should be improved by implementation of counselor certification.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Progress is being made toward the establishment of a residential treatment center in Region I (the seventeen eastern counties). The need is recognized by the Division and has the approval of the Advisory Council. Regional location of a treatment center should decrease the number of patients utilizing out-of-state facilities and should ultimately increase the number of persons motivated toward residential treatment.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: (continued)

It is hoped that currently funded local alcohol programs will expand from their present service base which is primarily directed toward outpatient services. This function is largely reactive and it would be expected that a much greater number of people would be impacted by the expansion of services into the areas of prevention/education and public information.

MENTAL HEALTH FIELD SERVICES BUREAU

PROGRAM DESCRIPTION: Mental health services in Montana are designed to treat individual, family and community stress. The range of problems addressed by the interlocking system of services extends from the treatment of individual mental and emotional disruption, to the repair of family disorganization, to the provisions of community wide services that emphasizes total community health. The Montana Mental Health Program provides a single State Hospital at Warm Springs (WSSH) and five Community Mental Health Centers (CMHCs), whose satellite network reaches into every county in the state. Inpatient and intensive therapeutic care and treatment is provided at WSSH to persons with severe mental disturbances. The five CMHCs each offer the federally mandated services as required in P.L. 94-63: inpatient care; outpatient care; day treatment and partial hospitalization; twenty-four hour emergency service; children and elderly, alcohol and drugs, transitional or group homes; aftercare; screening and diagnosis; and consultation and education. In addition to these services, the state service requirements call for the Centers providing alternative treatment to WSSH hospitalization as well as the necessary supportive services that will allow the continued deinstitutionalization of patients at WSSH.

PROGRAM BENEFITS:

Over 18,000 people in Montana received services from mental health agencies in FY 1977, ranging from a two month hospital stay at Warm Springs State Hospital for a thirty-five year old man with a problem of unemployment, family separation and consequent anxiety attacks, to six sessions of outpatient counseling at Southwestern Mental Health Center for depression symptoms, to six months of daily treatment services at South Central Mental Health Center for a fifty year old woman to help her readjust to the community after a three year state hospital experience, to one year of care at the Lewistown Center for the Aged for a seventy-two year old citizen.

The population at Warm Springs State Hospital declined from 668 on July 1, 1976, to 490 on June 30, 1977, as a result of a major effort to intensify treatment services at the hospital and expand alternate community mental health services.

Three more counties (McCone, Liberty, and Meagher) joined the original forty-five participating counties who actively support and fund community mental health centers in the state, thus guaranteeing that 671,500 people in Montana had available and accessible comprehensive mental health services. Thirty-four central and satellite offices are in existence throughout the state to insure that comprehensive mental health services are close enough to be readily useable.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The following three areas of improvement are viewed by the Department as critical to the development of a responsive and coordinated mental health delivery system in Montana:

1. **Integration:** During the coming fiscal year, the Mental Health Field Services Bureau will attempt to improve communication, coordination of programs and services, and standardization -- where appropriate -- of policies, procedures and clinical definitions as they relate to the various components of the mental health system. It is our belief that such integration will have significant impact on the quality of services provided and also the overall efficiency of operation and thus, the cost-benefit rates of tax dollars expended for mental health.
2. **Accountability:** During the coming year, a major goal will be to develop and implement a client data management information system throughout the mental health system that will incorporate common definitions and provide accurate and timely data on patient services. A further refinement of this system will be the development of a cost for service analysis. Anticipated benefits of such a system include the increase in accuracy of information provided the Department, the Fiscal Analyst's office, and the Office of Budget and Program Planning for the purpose of program planning and budget allocation and monitoring.
3. **Manpower:** At present, Montana ranks near the bottom nationally in the number of professional staff working in the field of mental health. Inasmuch as quality of care is directly proportional to the competency level of providers, it is critical that Montana develop a mechanism to attract professional staff to work in its mental health system. To meet this need for increased professional personnel, the Mental Health Field Services Bureau intends to work closely with both the Community Mental Health Centers and Warm Springs State Hospital to develop a systematic recruitment program.

CORRECTIONS DIVISION Disbursements \$1,937,264

ADMINISTRATOR PROGRAM

PROGRAM DESCRIPTION: The Corrections Division, recently established as provided by Sections 82A-107 and 82A-808.1, R.C.M. 1947, provides Division capability to administer an integrated corrections system. It further provides leadership, direction and support for both line and staff operations. The Division develops a continuum of correctional programs which place the individual in the least restrictive setting, consistent with good judgment. The Division also provides for the efficient management of, and accountability for, available resources and, by so doing, maintains and improves effective programs, discontinues those that are unnecessary, and initiates new programs for both adults and juveniles, males and females, in institutions and under field supervision.

PROGRAM BENEFITS:

The Corrections Division completed its first full fiscal year under the functional organization of the Department. The Division provides the management capability to organize, operate

PROGRAM BENEFITS: (continued)

and guide the efforts of the several correctional institutions for adults and juveniles, the field services, and community resources. Direction and initial efforts were provided to address the problems of female offenders, community correctional centers, master plan for corrections, and pre-dispositional care for youths. Managerial efforts were directed at providing support for existing programs while also gaining support for expanded alternatives within the correctional system. During the fiscal year the Division experienced the loss of the Division Administrator and functioned for much of the year under the guidance of an Acting Administrator. During the fiscal year legislative approval was won to expand adult probation and parole services and community corrections, enlarge the state prison, and become more involved in pre-dispositional care through 45 day evaluations and shelter care.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

It is recommended that efforts at master planning for corrections continue unabated. The plan will provide a sound basis for future management of the Division. Necessarily, it is recommended that the Administrator's position be filled on a permanent basis. It is further recommended that efforts and resources continue to be devoted to the successful operation of shelter care for juveniles and the screening of 45 day evaluations. Likewise, efforts, resources and management must be directed toward the expansion of community corrections and female offender programs.

During the next fiscal year it is felt that the development of the data base represented by OBSCIS should be fully utilized and operated to provide input for sound managerial decisions. Adequate training for staff is also a continuing need. The recommendations of the various subcomponents of the Division are supported.

BUREAU OF AFTERCARE

PROGRAM DESCRIPTION: The Department of Institutions is charged by Section 80-1411, R.C.M. 1947, as amended, to "establish standards of care, policies of admission, transfers, discharges and aftercare supervision in order to provide adequate care for children and adequate services to the court." The goal of the Aftercare Bureau of the Division of Corrections is to assist youth, adjudicated as juvenile delinquents, and youth in need of supervision, to become well adjusted productive members of society. In order to achieve these objectives, the following specific programs are deemed essential:

1. Care and Custody: All Aftercare programs are community based and provide care and custody in a variety of areas. Initial attempts are most often made to place a youth in his own home or that of an extended family member. If this is an impossibility, a variety of other community placements are available, including foster care, group home care, independent living, sponsor and boarding homes, residential treatment centers and residential evaluation programs.

PROGRAM DESCRIPTION: (continued)

2. Developmental Services: The Aftercare Counselor performs guidance and counseling functions relative to the supervision of juvenile offenders placed on parole or committed to the Department of Institutions.
3. Community Services: The emphasis of the Bureau of Aftercare is appropriately concentrated within the community. Community based alternatives to correctional institutions presently exist as viable, operational entities and the continued operation and development of these community based programs will insure that placement, treatment and follow-up will be available in the most appropriate manner to all eligible youth.
4. Administrative Services: It is necessary that sufficient administrative and supportive services be available to effectively carry out the goals and objectives of this Program, including provisions for staff training, staff development, and the effective evaluation of all programs and activities.

PROGRAM BENEFITS:

Evaluation and diagnostic workups for 37 youth in a community based, residential program in Great Falls were provided. This Program utilizes support services from the Community Mental Health Center, local medical personnel and the Great Falls School District.

Aftercare services to 682 youth during the fiscal year were provided. These services included placement of 40 youth in need of supervision who were assisted without ever having to be placed in institutional settings. Two hundred twenty-four youth were receiving Aftercare services for the first time. During the fiscal year \$2,969 was expended on Aftercare Revocation Hearings for those youth who did not waive their hearing rights. These hearings represented that the basic legal rights were afforded to youth on charges which may have resulted in a return of the youth to an institution.

Aftercare Group Home placements for 68 youth for 8,400 total youth days were provided. These homes provided community residential living situations utilizing community resources, (schools, local mental health clinics, etc.). The Aftercare Group Homes in Missoula, Helena, Great Falls and Billings had a 75 percent occupancy rate during the fiscal year. The return rate to the juvenile institutions was reduced from 11.8 percent to 11.3 percent. This reduction was the result of cooperative efforts between the Bureau of Aftercare and the juvenile institutions.

The training component of the Bureau of Aftercare provided in-service training to staff members of the Bureau of Aftercare. This includes counselors across the state, central office staff and houseparents of four Aftercare group homes. Besides providing learning opportunities to Bureau staff, training was also provided for all houseparents of District Youth Guidance Homes and Attention Homes in Montana, for staff of Montana's three juvenile institutions and consultation for the Bureau of Community Corrections. In addition, the training component successfully solicited federal funds and instituted a program of in-service training for the Bureau of Adult Probation and Parole. A major result of this effort has been the design and implementation of an offender management system, which will, during the next year, serve as a model for the design of a similar system to be implemented in the juvenile sector.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

In order to more fully evaluate the effectiveness of Aftercare field services, the Bureau's training component will develop, by means of the training and research processes, a prescriptive programming profile for youth which will focus upon specific behavior changes in those areas of behavior which have been identified as related to success in the rehabilitation of youthful offenders. The results will be:

1. Utilization of computer service to readily retrieve behavioral information.
2. Creation of an assessment tool for the counselors in the field.
3. Clear, behavioral expectations of clientele, in terminology which is easily understood.
4. Enhanced accountability of field services by planning for and evaluating measurable results.
5. A step closer toward integrating the services of the correctional system, as such a tool has already been designed and is in use in the adult sector.

Improvement of quality in foster care services should be provided by intense training of counselors in the following areas:

1. Recruitment and study of foster families.
2. Skill development in discriminating between the appropriateness of group home care or foster care in individual situations.
3. The professional utilization of the service, including the roles and responsibilities of the counselor, the child, the foster and the natural families.

In an effort to preserve and enhance the quality of family living for the youth whom we serve, an extensive training effort will take place in which counselors will be trained and educated in the theory and practice of family counseling.

The most intensive training program for group home houseparents to date has been designed and will be proposed to the Montana Board of Crime Control for funding. The Program will be available to houseparents from Aftercare Group Homes, District Youth Guidance Homes, Attention Homes and Achievement Homes. Matching money has been pledged by a number of these programs. The design includes:

1. Orientation training for newly hired houseparents.
2. Helping skills training for present houseparents.
3. Education to provide insights into adolescent needs and behavior.

Currently, Aftercare leases four Group Homes, one each in Helena, Billings, Missoula, and Great Falls. These homes are leased on two year terms that are in accordance with the state's fiscal year. The availability of homes that are adequate for a group home to house a couple plus eight youth is hard to find. Therefore, when a residence is found that is adequate, it is important to try to keep these homes. If the owner wants to sell, often we are in the market to find either a new investor that will lease the home to our Program, or we are looking for a new home. It is recommended, to alleviate this problem, the state purchase these homes.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: (continued)

It is recommended that improvement in specialized care and treatment of emotionally disturbed youth be provided by contracting for services with the private sector.

A new section should be added which provides for the return of youth who violate their Aftercare Agreement while out of state. Preference would be to honor the hearing as constituted in the returning state.

Finally it is recommended that the statistical and data base for Aftercare be updated and made to more closely conform with the adult system.

PROBATION AND PAROLE PROGRAM

PROGRAM DESCRIPTION: The Probation and Parole Program is responsible for providing parole and probation supervision for Montana District Courts and members of the Interstate Compact Agreement, and for conducting investigations and making recommendations to the Governor, District Court Judges, County Attorneys, and other law enforcement authorities. The goals of the Program are to protect society and rehabilitate the offender.

PROGRAM BENEFITS:

Many of the benefits of the Program are best revealed in a statistical presentation. The following are indicative of supervision performed:

1. Average monthly caseload of probationers and parolees – 2,515.8.
2. Montana probationers – 1,259.5.
3. Montana parolees – 408.2.
4. Out-of-state parolees in Montana – 61.7.
5. Out-of-state probationers in Montana – 196.8.
6. Montana cases supervised in other states – 475.2.

Investigations are an important benefit. The following are indicative:

1. Pre-sentence investigations – 674.
2. Pre-release investigations – 598.
3. Violation reports – 625.
4. Other reports (admission, furlough, special) – 1,210.

A further benefit is the collection of fines, restitution and court costs. Although records were not kept for the entire fiscal year, from January, 1977 to June, 1977, the following were collected:

1. Restitution – \$29,829.
2. Court Costs – \$1,750.
3. Alimony and child support – \$16,157.
4. Fines collected – \$806.

PROGRAM BENEFITS: (continued)

Finally, \$271 was loaned to parolees from the Revolving Fund while \$290 was paid back on such loans during the same six months.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

It is recommended that the Legislature authorize nine Clerk Typist II positions. The positions will:

1. Provide improved liaison with target clientele and citizens in communities served.
2. Make referrals for crisis intervention in absence of probation or parole officer.
3. Type variety of legal reports and documents for courts and Board of Pardons.
4. Keep records and confidential caseload files.
5. Accept payments for client loans and prepare required receipts for same.
6. Answer telephone and perform related office receptionist duties.

It is recommended that the Legislature authorize four Parole Officer III positions and three Parole Officer II positions. The requested additional positions would provide the State of Montana benefits as follows:

1. All judicial district courts, including the recently authorized courts, will be provided required pre-sentence investigations and reports of violations in a timely fashion.
2. All caseloads will be reduced not to exceed 70 cases per officer.
3. Surveillance will increase, affording better protection for society.
4. Collection of restitution fines and costs as ordered by the court will increase.
5. Delivery of service to target clientele will increase.
6. Successful rehabilitation will increase and costs to taxpayers will be reduced when offenders become responsible citizens.

COMMUNITY SERVICES BUREAU

PROGRAM DESCRIPTION: This Bureau within the Division of Corrections is responsible for effective operation of a Community Correctional Center and the Prison Furlough Program for adult felons. The goal of the Bureau is efficient and effective management of programs to rehabilitate adult felons within the community. It was created in 1976 to fill a void in adult corrections. The Community Correctional Center is to provide supervision and support to select inmates from Montana State Prison during the critical period of re-entry into the free community following incarceration. The Center also serves those non-violent offenders who can benefit from a structural program in the community in lieu of incarceration at Montana State Prison. The prison Furlough Program was mandated by the 44th Legislature through House Bill 637. It is a program designed to release prisoners on furlough from the Warden to the Department of Institutions through the Board of Pardons. The intent is not an "early out" but rather a structured program whereby specific inmates who have demonstrated responsibility for themselves are granted the opportunity to return to the community before their parole date.

PROGRAM BENEFITS:

Benefits from the Community Correctional Center and the Furlough Program are alleviation of the prison population and saved tax dollars and human potential while keeping the public safety as an uppermost priority. The Programs also expand the alternatives available to a correctional system.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Recommendations for improvement include:

1. Legislation addressing length of furlough.
2. Clarification of responsibility within the Division of Corrections.
3. Training program for "supervising agents" responsible for furloughs on a daily basis.
4. Provide a means for public awareness of Community Corrections.

MONTANA CHILDREN'S CENTER**AGENCY DESCRIPTION:**

The Children's Center closed June 30, 1975.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

There are only five maintenance employees at the Center. The Department's Affirmative Action Plan covers the Center and prevents discrimination in employee relations and recruitment.

MONTANA CHILDREN'S CENTER PROGRAM Disbursements \$86,694

PROGRAM DESCRIPTION: The Program provides for custodial care of the closed facility.

PROGRAM BENEFITS:

Maintenance prevents deterioration of the Center's buildings.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Continue to maintain and provide adequate security for the facility.

Obtain a determination regarding future use of the institution.

MONTANA STATE PRISON

AGENCY DESCRIPTION:

Montana State Prison exists because:

1. Custody and Security: We must protect free society from the convicted felon. We must protect him from other inmates and himself. We must also properly feed, clothe, house and supervise certain work performances of inmates.
2. Classification Treatment and Training: We must do our best, through our Admission Summary, counseling, educational program, recreation, job assignment, medical service, and religious program, to return this person to free society as an asset and not a recidivist who returns to prison again and again as a human leach on the taxpayer.
3. Administration of an efficient and productive institution, keeping always in mind that we are public employees. The taxpayers and citizens of Montana are trusting us to spend their money wisely.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

Montana State Prison will comply with Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and all requirements imposed by or pursuant to regulations of the Department of Justice (28CFR Part 42) issued pursuant to that title, to the end that no person shall, on the ground of race, color, creed, sex, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the applicant received federal financial assistance.

ADMINISTRATIVE SERVICES PROGRAM Disbursements \$1,460,592

PROGRAM DESCRIPTION: Administrative Services exists as the key and backbone of the organization. Without proper record keeping, everything would be in complete disarray.

PROGRAM BENEFITS:

During FY 1977, this Program accounted for 55 FTEs. These FTEs generated many jobs and had an economic impact on the city of Deer Lodge, Montana. This Program is the second largest of all the programs implemented by Montana State Prison.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

It is recommended that the Prison:

1. Continue its upgrading and consolidation of warehouse functions under a centralized system.
2. Further implement a supply inventory managements system utilizing the computer we now have.
3. Constantly strive for continued upgrading of its preventative maintenance programs.
4. Continue the records depository and the microfilming of permanent records.

CARE AND CUSTODY PROGRAM Disbursements \$2,772,884

PROGRAM DESCRIPTION: The Program exists to fulfill the requirements of protecting free society from the convicted felon, attempt to return the man to free society as an asset, and to accomplish the above in an efficient and productive manner.

PROGRAM BENEFITS:

Care and Custody, our largest program, accounted for 137 FTEs. The general public as well as the community benefited from the payroll these jobs provided.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

It is recommended that a full time drug and alcoholic abuse counselor be employed. Montana State Prison is in need of this type of expertise.

DEVELOPMENT SERVICES PROGRAM Disbursements \$728,493

PROGRAM DESCRIPTION: Development Services exists to offer the inmate population psychological evaluations. Also, the Program maintains daily time cards and tabulations of point sheets for the therapeutic community, keeps track of good time list, and maintains diagnostic and evaluation statistics.

RANCH AND DAIRY PROGRAM Disbursements \$789,578

PROGRAM DESCRIPTION: The Ranch and Dairy Program exists to provide Montana State Prison and other state institutions with meat and dairy products.

PROGRAM BENEFITS:

The Ranch and Dairy Program provides meat and dairy products at a reduced rate to state institutions. This reduced rate provides a savings to the taxpayers of Montana.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Continue to expand the market for our dairy and meat products.

Purchase one more refrigerated truck to expedite delivery to the outlying areas as well as the Prison complex itself.

LICENSE PLATE FACTORY PROGRAM Disbursements \$144,600

PROGRAM DESCRIPTION: This Program exists to manufacture license plates for the state.

PROGRAM BENEFITS:

The benefits derived from this Program are that everyone who needs license plates for their vehicles can purchase them from their courthouse.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

It is recommended that the Program be expanded to include the manufacturing of road and street signs for sale to cities and counties.

It is recommended that a new paint dryer be purchased for the tag plant and further, that it be located outside the building. This relocation would serve two purposes:

1. It would create more working floor space.
2. It would eliminate the problem of having paint fumes in the building.

SWAN RIVER YOUTH FOREST CAMP

AGENCY DESCRIPTION:

The Youth Camp is responsible for developing and maintaining a rehabilitation oriented program for youthful offenders ages 16 through 26 committed to its care and custody. Towards this purpose, the Youth Camp works cooperatively with the Division of Forestry, Department of Natural Resources. The program for these youths includes fair and humane treatment in a minimally restrictive setting. The Youth Camp provides professional recognition of individual differences, educational opportunities, psychological services, living skills, and realistic planning for the youth's return to the community.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The Youth Camp has initiated the following practices in hiring new employees:

1. Advertising position openings and descriptions throughout the Department of Institutions and with the Montana State Employment Security Division.
2. All vacant positions are filled by hiring the best qualified applicant regardless of race, creed, sex, or physical disability. The Youth Camp seeks applications from minorities and women prior to selecting new employees.

ADMINISTRATION PROGRAM Disbursements \$89,627

PROGRAM DESCRIPTION: All services that relate to the general administration of the Youth Camp or cannot be specifically identified in other service areas are included within this Program. The major services of this Program are overall management of the Youth Camp, fiscal control and accountability, record keeping, and maintenance of plant and facilities.

PROGRAM BENEFITS:

The Administration Program provides management leadership for effective and efficient operation of the Youth Camp; develops and disseminates information needed for the operation of the Youth Camp; assures that staff have the minimal necessary skills and training to achieve the goals of the Youth Camp; provides fiscal management with a minimum of audit exceptions; evaluates cost and effectiveness of program(s) operation; and carries out a preventive maintenance program to protect the state's capital investment.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

A system to report receipts and disbursements from residents' canteen and gifts and donations funds, held in trust by the Youth Camp, should be developed. An annual recording on SBAS of these funds, without changing or restricting the use, would provide a check and better means of recording these accounts.

Establishing a fixed asset account within SBAS would satisfy an audit recommendation.

Recent legislation regarding employee rights and freedom from discrimination has placed considerable responsibility on agency administrators. It would be advantageous for the Youth Camp administrators to receive comprehensive training in this area of management.

CARE AND CUSTODY PROGRAM. Disbursements \$354,566

PROGRAM DESCRIPTION: This Program provides all services for housing, feeding, clothing, and general welfare of residents. Security and safety to residents and the general public are maintained within this Program.

PROGRAM BENEFITS:

Approximately 100 youthful offenders committed to the Youth Camp in FY 1977 received fair and humane treatment. The basic medical needs of each resident were met. Supervisory control of residents on a 24 hour a day basis was provided. A clean sanitary food service and living area for residents was maintained.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

A real need exists for additional storage space. Present facilities for providing storage and security for residents' personal belongings are inadequate.

Preventive health care of residents should be initiated. Presently only basic and emergency medical treatment is provided.

Initiate a recreation program aimed at teaching residents socially acceptable recreational activities. The inability of youths committed to the Youth Camp to cope with leisure time has been a contributing factor to their incarceration.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: (continued)

A need for a daytime group life supervisor is apparent. In order to further maintain a clean, safe, and sanitary environment for residents, one person assigned to supervise dormitory, janitorial, and laundry work crews is necessary.

DEVELOPMENTAL SERVICES PROGRAM Disbursements \$90,426

PROGRAM DESCRIPTION: This Program provides a range of services, including diagnostic counseling and education and training opportunities to each resident.

PROGRAM BENEFITS:

All residents paroled from the Youth Camp received professional assistance in formulating release plans. Each resident received the opportunity for appropriate guidance and counseling. Each resident had the opportunity to sample work experience in forestry, carpentry, mechanics, laundry, food service, and janitorial. Each resident was provided the opportunity to learn basic work habits, work attitudes, and safety practices. Each resident was provided the opportunity to correct educational deficiencies. Forty-three residents achieved a high school equivalency diploma, twenty-two received driver's licenses, and seventy-five enrolled in the school program.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The Youth Camp has been able to motivate residents towards self-improvement through the school program. However, in order to accommodate all those residents who may desire self-improvement, more space for the school program is needed. An addition to the existing building or the construction of a building specifically for education and training has merit. The training program could be expanded to better prepare residents for jobs upon release. The work training program could offer a more comprehensive vocational training in the areas of engine repair, carpentry, food service, and forestry technician work.

PINE HILLS SCHOOL

AGENCY DESCRIPTION:

Pine Hills School, formerly called the Montana State Industrial School, was established in March, 1893, with the signing of House Bill 184 by Governor J. E. Richards. The purpose of Pine Hills School, consistent with Section 80-1410, R.C.M. 1947, as amended, is "to properly diagnose, care for, train, educate, and rehabilitate children in need of these services."

Pine Hills School operates on the premise that every student is a worthwhile individual who has been sent to the Institution because he is in need of help. We believe that behavior is learned, and therefore can be modified. It is also recognized that the day-to-day experiences bring about modifications of behavior and, therefore, all activities are therapeutically oriented. Recognizing

AGENCY DESCRIPTION: (continued)

that each student comes to the Institution with different problems and needs, an individualized program is established in order that each may achieve to his potential. Therefore, it is essential that a variety of services be offered to each student. These services range from providing a healthful environment, nourishing meals and adequate clothing to a variety of psychological and educational needs, along with numerous off campus activities. Needless to say, these services are all provided within the constraints of the law and consistent with reasonable protection to the individual and society.

In summary, Pine Hills School exists because we have young men who violate the law and can not be handled within their communities and therefore need institutionalization. The primary responsibility of Pine Hills School is to meet the psychological, sociological, and educational needs of each student within the constraints of the law and according to legislative desires in order to return the boy to his community in the shortest period of time as a law abiding citizen.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

Pine Hills School attempts to fill each position with the most qualified applicant who appears to be adequately trained to meet the program needs. All help wanted ads, hiring, promotion, and termination policies were met without regard to sex, marital status, age, physical handicap, race, creed, color, or national origin.

ADMINISTRATION PROGRAM Disbursements \$450,121

PROGRAM DESCRIPTION: The Administration Program has the major responsibility of providing efficient and effective management of the Institution through providing effective fiscal controls and recruitment and training of qualified staff, along with overall coordination and direction of all programs and establishing overall institutional philosophy.

No facility can remain in operation without a physical plant and maintenance department. This Program has the responsibility for providing day-to-day maintenance of 25 buildings, 36 vehicles and miscellaneous equipment. Students are assigned to work in the maintenance area in order to have a meaningful work experience and an opportunity to learn good work habits and skills.

PROGRAM BENEFITS:

The Administration Program has continued to provide overall direction, management and leadership in all areas of the Pine Hills School. Despite the increased population (ADP increased from 131.35 to 139.72) and the fact that we were not funded for overtime, we were able to effect savings along with providing a wide range of services to the boys. Our recidivism rate of 12.6 percent continues to be one of the lowest in the nation. Likewise, the annual per capita cost (\$10,651) and the daily per capita cost (\$29.18) continue to be relatively low compared to other institutions of this nature. We have also been able to

PROGRAM BENEFITS: (continued)

meet the increased demands by the courts to do 45 day evaluations (increased from 97 to 108). Through providing these evaluations, the Institution has been able to extend its services into the community.

The physical plant has continued to provide a pleasant place for the boys to live and for staff to work through continued efficient maintenance and minor renovation projects such as pouring sidewalks, adding outlets in small dorms, etc. An average of 30 boys per day have been provided a meaningful work experience through being assigned to work with the various maintenance men. Approximately 10 vehicles have been serviced and washed weekly. In carrying out the efficient maintenance area 15,023 work orders were received and completed.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

It is recommended that this Program be adequately funded in order to keep all positions filled throughout the year. We operated without a groundskeeper and delayed filling vacant positions which prevented us from maintaining the campus as it should have been. Some of the equipment in our maintenance department needs to be replaced and we need more adequate funding for supplies and materials. We have not been able to do all of the painting that we should do due to lack of paint.

CARE AND CUSTODY PROGRAM Disbursements \$720,177

PROGRAM DESCRIPTION: This Program has the responsibility of providing care and treatment for the students in the least restrictive environment and in a homelike atmosphere, which is conducive to behavior modification in order to return them to society as responsible, productive citizens. This Program also provides each student with successful living experiences and opportunities to develop responsibility for his own behavior.

The Food Services Department is an important aspect of the Care and Custody Program as it has the responsibility of providing appetizing meals to the students and staff at a minimum cost and utilizing to the maximum other resources such as the farm, school lunch program, etc.

PROGRAM BENEFITS:

The Care and Custody Program has continued to provide all of the students with a healthful, meaningful living environment which is conducive to growth and behavior modification.

Average daily population	139.72
Number of lodges	7
Average length of stay	8.3 months
Average number of boys in lodge (excluding Joseph Lodge).	24
Average number of boys in Joseph Lodge	14
High and low population	113 - 155
Escapes from lodges	72
Escapes from details or other activities	29
Average number of minor lodge problems per day	5 - 8
Percentage of staff turnover	52.86

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Our greatest need at this time is to acquire eight additional Cottage Life Attendants at 11 positions. This would enable Pine Hills School to provide more intensive supervision of the young men entrusted to our care as well as reduce the staff-student ratio from 1:15 to 1:10. By reducing this ratio, more intensive counseling and supervision can be provided, thus improving our effectiveness in the areas of child care and security. The number of runs from our campus continues to be one of our greatest concerns, since they are costly to the boy and to the taxpayer. The long term security lodge for which money was appropriated at the last legislative session should do much to ease this situation.

DEVELOPMENTAL SERVICES PROGRAM Disbursements \$594,694

PROGRAM DESCRIPTION: Under Developmental Services we have two departments: Educational and Clinical Services. The major goal of Education Services is to increase the training and rehabilitation focused on individual student needs for educational and social skill development competencies. The Educational Department had the responsibility of scheduling students from 8:00 A.M. to 5:00 P.M. in either academics, vocations, or to work on a detail. A student is placed in a detail area (maintenance, farm, food services, laundry) according to his choice when possible, and in keeping with his own aptitudes and interests. The goal is to enable the student to learn good work habits and work skills that are realistic requirements in the world of work. Recreational activities, mainly during the evening hours, are provided to students in order for them to increase their social skills and to learn how to more effectively utilize their leisure time.

Clinical Services has the responsibility to provide an individually oriented treatment program for each student, utilizing various treatment modalities efficiently, along with all other resources available to the Institution in which the opportunities for human growth are maximized.

PROGRAM BENEFITS:

The Educational Department has continued to provide each student with academic instruction where each one can experience success. By operating the school the year around (256 days rather than the regular 180 days) students are able to make greater use of the 19 vocational classes and the 67 academic classes available to them. Since a student is permitted to progress at his own rate of speed, it is possible for him to complete more than one school year during the time he is at the Institution. We continue to be one of the few state training schools that participate in regular school athletics (football, basketball, and track). Students are also given the opportunity to enroll in our driver's training course. The ISP (Individually Structured Program), funded under ESEA Title I, continues to be an exemplary program since approximately 70 percent of our students are 3.5 years behind their actual grade placement.

PROGRAM BENEFITS: (continued)

Number of academic programs	17
Number of vocational programs	9
Number of high school diplomas issued	10
GED completions	5
Percent of students successfully reentered into public schools	80%
Number of off-campus activities per month	6
Weeks Camp Carefree operated	11
Recreation in discipline lodge	2 hours per week day
Hours of recreation per week	20

The Clinical Services Department has continued to upgrade the formulation of individual treatment programs for each student, along with coordinating institutional rehabilitation plans with the Aftercare Division. In addition, copies of all treatment plans have been forwarded to committing judges and probation officers with the objective of keeping them informed about former clients. The average length of stay continues to be around 8.3 months. We continue to encourage parents to visit their sons. Last year we had 1,480 boy visits. The number of visitors on tours of our campus has increased from 261 to 357.

The Clinical Services Department also coordinated the use of volunteer groups from off campus. This included an Alcoholics Anonymous group set up by the local Drug and Alcohol Abuse Council and Ala-Teen group sponsored by the Miles City group of Al-Anon. Likewise, the local JayCee chapter sponsored a program of human relations development which was held for a group of students on our campus under their auspices. The Clinical Services Department was involved in a variety of speaking engagements and public relations programs that at this time are too numerous to mention. Examples would be: talking with service organizations, conducting tours, and speaking to high school and college classes.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The Educational Department recommends more adequate funding in the school's operational budget for replacement of tools and equipment since vocational education reimbursement has been discontinued. It is further recommended that an additional recreational supervisor be hired in order to provide the boys with more constructive use of their leisure time. Since holidays and weekends are when our recreational program is most needed, it is recommended that we be adequately funded to pay for compensatory time and overtime. We still need air conditioners for the classrooms.

The Clinical Services Department recommends that we hire one more fulltime nurse to assist in carrying out the medical services on our campus. This individual would be placed in a schedule along with our two current nurses so that all vacations, sick leaves, weekends, etc., would be more adequately covered. Under the direction of the consulting physician at the Garberson Clinic, the nurses have had to assume more responsibility for the medical care of our students. During the last fiscal year, the number of students seen on routine sick call was 3,366. The number of students seen in the lodges was 8,748; the number of students seen in the infirmary between sick calls was 1,458; and the number of times the nurses were called out after working hours averaged three times per month.

COMMUNITY SERVICES PROGRAM Disbursements \$12,105

PROGRAM DESCRIPTION: The Community Services Program of the Department of Clinical Services is necessary to provide a follow-up, liaison-type of service to the residents of the Institution with community agencies and programs. This service not only facilitates reentry into the normal flow of society, but also becomes involved in establishing significant rehabilitative contacts with other agencies providing the resident with service. Many of our residents are suffering from a multi-problem situation which, by its nature, requires involvement by a number of different agencies. This Program coordinates efforts to minimize duplication and provide a vehicle for the smooth deliverance of services.

PROGRAM BENEFITS:

With the Community Services Program coordinating the rehabilitative treatment program with the community agencies, society is assured of an ongoing treatment program that will not end at the Institution. The involvement of various agencies encourages the continued reduction in recidivism and enhances the possibility of making productive citizens from the juvenile offenders. This, in turn, should cause a reduction in the number of our residents going on to adult correctional facilities.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Further efforts must be made to:

1. Bring about a greater awareness on the part of the Institution to various community agencies, programs and philosophies.
2. Bring about a greater awareness on the part of various community agencies as to the programs and philosophies of the institutional departments.

FARM PROGRAM Disbursements \$100,950

PROGRAM DESCRIPTION: The Farm Program exists for two major reasons:

1. To provide students with a meaningful work experience wherein they may learn how to relate to adults, learn good work habits and skills, and have the opportunity to learn about the total farm operation from production to use and experience in handling machinery.
2. To produce foodstuffs for the Institution such as meat, milk, cream, potatoes, etc.

In essence, the overall goal of the Farm Program is to increase the production and rehabilitative aspects of the farm through utilizing efficiently all resources available in which the opportunity for human growth, along with a savings to the taxpayer, is maximized.

PROGRAM BENEFITS:

The farm has continued to supplement the food supply, thereby maintaining a low cost of 31¢ per meal.

PROGRAM BENEFITS: (continued)

Total value of crops produced	\$ 62,225
Total value of food produced	<u>39,929</u>
	<u>\$102,154</u>

Production:

Tons of hay	341
Bushels of barley and oats	220
Tons of silage	500
Number of beef slaughtered	23
Pounds of beef supplied to the kitchen (boned)	11,278
Number of hogs slaughtered	29
Pounds of pork supplied to the kitchen	3,631
97 head of cattle furnished Deer Lodge for which we received (pounds)	14,663
Gallons of milk	26,506
Gallons of cream	1,213
Pounds of potatoes	18,000
Other garden produce (pounds)	471

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

It is recommended that the Farm be placed on a revolving account similar to that of the Prison in order to put it on a self-supporting basis. This would provide for greater utilization of the Farm since production would not be limited to just the needs of this Institution but could be increased to capacity. Selling the surplus production would result in an overall savings to the taxpayer.

MOUNTAIN VIEW SCHOOL

AGENCY DESCRIPTION:

The purpose of the Mountain View School, consistent with Section 80-1410, R.C.M. 1947, as amended, is: "to properly diagnose, care for, train, educate, and rehabilitate children in need of these services."

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

All help wanted ads, hiring, promotion, and termination policies were made without regard to sex, marital status, age, physical or mental handicaps, race, creed, color, or national origin. Instead, the Mountain View School attempts to fill positions with the most qualified applicant who appears to most adequately meet program needs.

ADMINISTRATION PROGRAM	Disbursements	\$241,717
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PROGRAM DESCRIPTION: The Administration Program provides the necessary supervision, accountability, evaluation, staff development and training to ensure the Institution accomplishes

PROGRAM DESCRIPTION: (continued)

all that is required by law and remains within legislative appropriation. It also provides the professional leadership and moral commitment to the treatment of each child as an individual having innate worth and dignity in the least restricted institutional environment necessary for the protection of the child and/or the general public.

PROGRAM BENEFITS:

One hundred and eighty children were in the Institution during FY 1977. The recidivist rate for the year was 7.4 percent while the average length of stay was eight months. The average daily population was 53.16. The number of runaways from the institution grounds was reduced to a record low of only seventeen with all seventeen returned almost immediately due to the efforts of the Mountain View School staff members.

The Mountain View School maintenance crew processed 382 work orders with many of them involving major remodeling or repair work. Aspen Cottage was converted from a cottage for girls into a cottage for boys.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Since July 1, 1977, the Mountain View School has been accepting boys who are committed for forty-five day evaluation. This is a one year pilot project. If the remaining ten months go as well as the months of July and August, the Mountain View School will be recommending that this Program be continued.

CARE AND CUSTODY PROGRAM Disbursements \$480,113

PROGRAM DESCRIPTION: The Care and Custody Program is responsible for providing each child with safe, clean living quarters; nutritious food; proper clothing; adequate medical and dental care; recreation; housekeeping and personal hygiene training.

PROGRAM BENEFITS:

The Care and Custody Program provides basic individual needs to each student committed to the Institution for diagnosis, treatment, and care. Without meeting these needs, the assigned institutional purpose of rehabilitation and evaluation could not take place. One hundred and eighty students were cared for during FY 1977.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

More appropriate and safe living quarters should be constructed to replace two of the four cottages existing which are not adequate to meet institutional needs. New cottages should be fire resistant, one-story, thirty-two bed duplex structures replacing two fifty-year-old, large, energy consuming structures that are a potential fire danger.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: (continued)

The rise in cost of medical and dental care necessitates the need to investigate the possibility of a blanket insurance policy to cover these needs. The possibility of including institutional residents in federal medical programs should be explored. The accomplishment of an alternative would allow more emphasis to be placed on medical and dental needs than is possible at present.

DEVELOPMENTAL SERVICES PROGRAM Disbursements \$331,287

PROGRAM DESCRIPTION: The Program exists to provide both diagnosis and/or treatment of all children through the Clinical Services Department which consists of social workers and a psychologist. A contract with the Southwestern Mental Health Center also provides additional psychological and psychiatric services.

An accredited high school is also provided with emphasis on an individualized educational program in small, ungraded, success oriented, vocational and academic classes during the regular school year and summer.

Conventional religious services are also provided on a weekly basis.

PROGRAM BENEFITS:

One hundred and eighty children were educated and treated. Of those, fourteen earned high school diplomas, or equivalency thereof, and nineteen received certification in vocational skills. The average reading level increased 3.8 grade levels and math skills increased 1.8 grade levels. Satisfactory social adjustment for release was achieved by one hundred and thirty-two students.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Consideration should be given to the following additional education staff: Teacher, .37 FTE, to instruct and prepare older students for the G.E.D. test; Instructor, .37 FTE, to instruct manual training skills classes; Teacher, .37 FTE, with specialized diagnostic skills assigned to girls and boys committed for the forty-five day evaluation; Teacher, .75 FTE, to teach speech and music classes.

Additional funds to expand half-day, eight week summer school to ten weeks and to employ two additional .192 FTE summer school teachers.

COMMUNITY SERVICES PROGRAM Disbursements \$11,496

PROGRAM DESCRIPTION: The Mountain View School, in an attempt to provide the maximum in opportunity to regular commitments, includes services available in the community

PROGRAM DESCRIPTION: (continued)

of Helena to supplement the "on campus" program. Examples of these services include on-the-job training, CEP and Vo-Tech training, and Carroll College. A "Big Sister" and other volunteer programs from the community fall under this program. A program manager is assigned the responsibility of coordinating these services with the overall Mountain View School program.

PROGRAM BENEFITS:

The exposure and training resulting from the Community Services Program does much to enhance student self-image as well as provides valuable experience allowing the student to more satisfactorily adjust to a non-institutional environment upon release. During FY 1977, thirty-two students were involved in the off-campus work program, fifty-eight students were assigned "Big Sisters", eighteen students participated in off campus work programs, and thirty students worked on campus under the Neighborhood Youth Corps Program.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

It is recommended that the present Program be continued at its present level emphasizing the importance of program structure. Not only must the best interests of the student involved be kept in mind in regard to individual needs, but security precautions must receive high priority.

BOARD OF PARDONS

AGENCY DESCRIPTION:

There was created in 1955 a Board of Pardons. This Board consists of three members who are appointed by the Governor with the advice and consent of the Senate. The Board is responsible for the executive clemency and parole and shall endeavor to secure the effective application and improvement of that system and the laws upon which it is based.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

Employees are hired without regard to sex, marital status, age, physical or mental handicap, race, creed, color or national origin, or an intent to make the limitation based upon a bona fide occupational qualification.

ADMINISTRATION PROGRAM	Disbursements	\$69,123
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PROGRAM BENEFITS:

The Benefit of the Board to the state is considerable. From the purely fiscal perspective an offender on parole costs the state approximately \$265 a year, while imprisonment per

PROGRAM BENEFITS: (continued)

inmate is over \$9,000 a year. From a humanitarian point of view, it is generally felt that individuals are capable of reforming. The function of the Board is to parole, furlough or recommend commutation if in their opinion reformation has occurred, and the offender no longer poses a threat to the community.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The biggest single problem the Board faces is lack of coordination with other correctional agencies. It would profit every part of the system if an outside expert could be brought in to advise on how to streamline the whole operation, especially in the area of records management. The saving of man hours which are now wasted on useless duplication would be considerable.

The staff of the Board presently handles almost twice the caseload with less staff than it did three years ago. A position was taken from the Board and replaced by a P.S.E. slot which will terminate July 1, 1978. The Board desperately needs this clerk stenographer position made permanent and funded by the state.

BOULDER RIVER SCHOOL AND HOSPITAL

AGENCY DESCRIPTION:

Boulder River School and Hospital is the only full-range institution in the state for the care, treatment and training of mentally retarded persons. As such, the purpose of the Institution is to secure the treatment and habilitation as will be suited to the needs of the individual, and to assure that such treatment and habilitation are skillfully and humanely administered with full respect for the person's dignity and personal integrity. Admission procedures as well as basic guideline for care, treatment and training of the residents were established by the 1975 Legislature (Sections 38-1201 through 38-1225, R.C.M. 1947).

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

Boulder River School and Hospital ensures that equal employment opportunities are provided to both on and off grounds applicants as outlined by bargaining unit contracts and state employment regulations.

ADMINISTRATION PROGRAM Disbursements \$1,744,303

PROGRAM DESCRIPTION: The Administration Program is responsible for providing overall direction for the operation of the Institution. The Program provides support services in the areas of fiscal, personnel, purchasing/warehouse, plant maintenance, inservice training, clerical and other administrative functions of the Institution.

PROGRAM BENEFITS:

The Administration Program benefited the Institution and the State of Montana by providing administrative direction and policies and procedures on delivery of services to the residents of the Institution. New employees are given orientation, first-aid training, and training for care and training of residents. The Program insures that equal employment opportunities are provided to both on and off grounds applicants. Information is provided to visitors, inspection teams, other agencies and the Legislature. Tours are conducted for public awareness of the needs and services provided by Boulder River School and Hospital. The physical plan and institutional grounds were maintained in the best manner possible. Residents were provided with a neat, clean, well maintained living environment.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The area of continuing education needs to be expanded. Staff turnover needs to be reduced. The Personnel Section should initiate an exit interview, institute a plan to control unemployment costs, and develop an affirmative action program. Resident Operations needs additional staff to provide relief services to other sections during regular staff absences. With additional staff, the Fiscal Services Section could revise procedures to strengthen internal functions and auditing capabilities. Two summer groundskeeper positions need to be added and 1.5 FTE positions previously deleted should be reinstated to maintain operation of purchasing/warehouse.

CARE AND CUSTODY PROGRAM Disbursements \$5,325,726

PROGRAM DESCRIPTION: The Care and Custody Program is responsible for the total care of residents at all times. It includes residential living supervision; providing direct services to meet the basic needs of shelter, clothing, health care, and food; and provision of the comprehensive continuum of care for each resident.

PROGRAM BENEFITS:

The Care and Custody Program benefited the residents of the Institution by developing individual treatment plans, including behavioral objectives and methods to evaluate each individual; the process of developing an individual habilitation plan for each resident was defined and implemented; a Quality Control Committee to review training programs was established; procedures to review behavioral programs was initiated; the Intensive Training Project was expanded to include another group home; a Committee on Legal and Ethical Protection was formed; the Boulder Training Model was developed, finalized and implemented; and all residents were involved in skill training programs. Residents were provided with neat and clean clothing and linen, and received good, wholesome meals that met their dietary needs. Medications were administered as prescribed by physicians. Twenty-four hour quality medical care was provided to the residents. Infection control programs were started in the acute hospital. A drug and diet evaluation system was

PROGRAM BENEFITS: (continued)

established to enable physicians to evaluate each resident's drug and diet regime every three months. Toothbrushing and oral hygiene procedures were updated for all residents. Restorations and extractions of teeth were provided as needed. Inservice training was provided to cottage personnel in oral hygiene. A full-time Dental Hygienist was employed. Laboratory testing by qualified personnel insured more accurate diagnoses for the residents. Drug level tests are done on all residents monthly. Residents receive x-rays as needed, or at least annually.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Decrease the number of residents assigned to each cottage. Expand the Intensive Training Project. Provide regular feedback to cottage supervisors regarding residents' progress. Add one FTE for the Fire/Safety position. Complete the Long Range Building Projects. Provide additional staff and inservice training in Food Service to allow inclusion of more residents in eating programs. Provide a second pharmacist to facilitate review of handling and recording medications in the living areas. Reinstate Hospital Administrator position. Improve inservice training for housekeepers. Increase budget for microfilming records. Replace worn out laboratory equipment and reinstate the laboratory position that was cut. Provide smaller living environments for residents.

DEVELOPMENTAL PROGRAM Disbursements \$906,428

PROGRAM DESCRIPTION: The Developmental Program provides training, teaching, therapy and psychological services to the residents of Boulder River School and Hospital. Its primary responsibility is to provide these services to the residents; its secondary responsibility is to develop techniques and methods for treating the problems associated with mental retardation.

PROGRAM BENEFITS:

Physical therapy, occupational therapy, and psychological services were provided to the residents. Medical pathologies of the hearing mechanism were identified before they became major problems in the habilitation or habilitative training of the residents. Training was provided in living skills, pre-vocational skills, functional academics and physical education; as well as education for the audio-impaired. Residents were trained in socially acceptable leisure time activities and skills. Pre-verbal skill training and community survival communication skills were provided to residents. Construction and/or adaption of equipment for the use of the severely handicapped resident was provided.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Provide additional Physical Therapy staff to enable more residents to receive this service. Remodel and repaint Cottage 6 to improve the environment of the training areas. Assign

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: (continued)

specific areas of training to various support areas to avoid overlap and enable residents to have more of their needs met. Establish a vocationally oriented training program. Provide additional recreation staff to facilitate individualized therapeutic recreation programming. Provide state funding for readjustment of Title I age requirements to make pre-verbal skill training and community survival communications available for other than just the 3-to-21 age group.

COMMUNITY SERVICES PROGRAM Disbursements \$165,448

PROGRAM DESCRIPTION: The Community Services Program is responsible for provision of a broad spectrum of social and community services to the residents; does the necessary planning and preparation to facilitate the return of the residents to the community; and interacts with parents, guardians or interested persons on behalf of the resident. The Program participates in the community-oriented activities related to planning, liaison and public awareness, and provides supportive services to facilities and programs involved with ex-residents of Boulder River School and Hospital in the areas of consultation and technical assistance in speech, recreation and skill development/behavior management.

PROGRAM BENEFITS:

Program benefits included: made the general public aware of Boulder River School and Hospital and the retarded resident; talked with many community groups in establishing a better understanding of the problems that face the state at present and what is anticipated to happen in the future; released eighty residents into the community; sent 125 referrals to Social and Rehabilitative Services; and discharged 97 residents.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Continue to place emphasis on community placement of eligible residents and assist in the orderly transition and adjustment of residents to community-based facilities.

CANTEEN PROGRAM Disbursements \$42,622

PROGRAM DESCRIPTION: The Canteen provides a store-like atmosphere for the residents to purchase treats and receive training on proper interaction in a store setting.

PROGRAM BENEFITS:

The Canteen provides small items and treats for the residents at a reduced cost. Services are also provided to those residents unable to go to the Canteen.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

An additional staff member is needed in the Canteen if the hours of operation are to be increased, enabling more residents to use this service.

EASTMONT TRAINING CENTER

AGENCY DESCRIPTION:

The Center is responsible for providing a five day residential and day training program for moderately and severely mentally handicapped children between the ages of four and seventeen years, offering instruction in academics, home living, recreation and physical education, speech therapy, perceptual training, and social awareness. The Center's goal is to allow these children to remain in their homes and communities as functioning and supportive members of society. To achieve this goal, the Eastmont Training Center emphasizes cooperation with community groups and agencies, and education of the public about developmental disabilities, specifically mental retardation.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

Eastmont Training Center (ETC) has made the general public aware of all open employment positions during FY 1977. In addition, all qualified applicants have been interviewed for these positions. All staff are given an opportunity to apply and interview for the same positions. ETC has used the Department of Institutions' Central Office, Montana Employment Service, local, state and national media, and placement agencies to advertise job opportunities.

ADMINISTRATION SERVICES PROGRAM Disbursements \$104,167

PROGRAM DESCRIPTION: Administrative Services is responsible for the effective supervision and coordination of Center programs, fiscal management, administration, and cooperation with other agencies and with the general public. In addition, Administration Services is responsible for inventory control, purchasing, and maintenance and improvement of the grounds, buildings, and equipment to provide a safe physical environment conducive to student education and staff efficiency.

PROGRAM BENEFITS:

The Administration Program achieved 78.3 percent of the management objectives which were established in June, 1976. Additionally, the Center was selected as the training site for severely multiply handicapped children in Montana by the University of Washington's Exceptional Children's Center. Sound budget management was enhanced by attendance at a four day SBAS training session and a two day business management clinic. The staff was increased by one FTE to increase the quality and quantity of maintenance.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Increased opportunities for staff career development are recommended. Furthermore, planning must begin for the development of new alternatives in regard to long term utilization. Another recommendation is to establish a regional advisory council. Other recommendations include:

1. Increase environmental safety by installing smoke and fire detection equipment.
2. Upgrade position classifications.
3. Improve energy utilization and conservation.

DEVELOPMENTAL SERVICES PROGRAM Disbursements \$151,734

PROGRAM DESCRIPTION: Eastmont's education department assumes the accountability and responsibility for establishing training and treatment programs that include education, social development, self-help skills, and pre-vocational training for all residents. Three non-graded classes, with one certified teacher and one teacher's aide in each, receive support services from a speech pathologist, recreational therapist and, through ESEA Title I funds, a behavior modification therapist and psychologist. Educational training and services are continually upgraded to comply with special education rules and regulations promulgated by the Office of the Superintendent of Public Instruction.

PROGRAM BENEFITS:

The benefits of this Program are numerous. Included among outstanding benefits is the establishment of a non-ambulatory daycare educational program. Also, prescriptive programming for severely multiply handicapped was implemented. Sophisticated prosthetic training aids were purchased which allows the admission of two multiply handicapped children previously denied service and enhanced the training of eleven others. The *Eastmont Training Center Adaptive Functioning Checklist* was selected one of the ten best checklists in the nation, of 227 checklists. Additionally, a parent training manual was developed and distributed to all parents. Other benefits include:

1. Increases in parent training.
2. A Human Services Intern Program was developed with Dawson College.
3. Four teachers received six weeks of graduate instruction in teaching the severely multiply handicapped from the University of Washington.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

In order to enhance Program benefits, it is recommended that parent participation in all student programs be increased. There is also a need to purchase equipment for educating the severely mentally handicapped students. Finally, increases in educational opportunities for staff are recommended.

CARE AND CUSTODY PROGRAM Disbursements \$144,099

PROGRAM DESCRIPTION: The Care and Custody Program is responsible for the residents' personal care in cottage life and for providing training in an informal learning environment so the children may develop acceptable social and living skills. Also, the Program's responsibility includes diet preparation and food budgeting. The food service personnel are responsible for providing a pleasant, clean and enjoyable atmosphere which complements the total care of the residents.

PROGRAM BENEFITS:

Benefits were accrued via the enrollment of food service employees in a "Food Service Supervisor" correspondence course from the University of North Dakota. Staff also received 40 hours of training at four different training sites. Furniture was purchased as was recreational equipment to enhance the "home" like setting of the Center. Throughout the year an average population of 23 youth were served.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

It is recommended that kitchen equipment which enables Food Service to prepare special food requirements and provide a labor savings be purchased. Further, benefits would be available from expanding supplementary services by contracting a physical therapist. Finally, the capability of the environment to respond to the needs of more physically handicapped children needs to be increased.

COMMUNITY SERVICES PROGRAM Disbursements \$20,192

PROGRAM DESCRIPTION: The Community Services Program is responsible for establishing and maintaining admission and placement of residents. This service includes professional assistance in planning the education of residents at Eastmont as well as providing information, consultation and referral services to families and agencies in the development of community services.

PROGRAM BENEFITS:

Twenty-four percent of the Eastmont population for FY 1977 was placed in less restrictive residential or academic placements. Ten students were formally evaluated and admitted to Eastmont's training program. Follow-up and placement information was compiled for 160 former students released between 1969 and 1976. An intern program with Eastern Montana College was developed and implemented.

WARM SPRINGS STATE HOSPITAL

AGENCY DESCRIPTION:

Under Title 80, Chapter 24, Section 2401, R.C.M. 1947, Warm Springs State Hospital exists for the purpose of providing care and treatment of mentally ill persons. Warm Springs State Hospital has fulfilled this purpose in accordance with the Acts, Amendments to Acts and new laws enacted by the Montana State Legislature since 1912, which was the date of purchase of the institutional facilities by the State of Montana.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

During FY 1977, Warm Springs State Hospital reaffirmed its commitment to the policy of providing equal employment opportunity to all its employees and applicants for employment regardless of race, color, creed, national origin, sex, age, physical and/or mental handicap. Warm Springs State Hospital will strive to eliminate any traces of discrimination and will increase the utilization of minorities and women wherever these deficiencies exist and availability permits.

All applications are reviewed initially by the personnel department and then controlled in their distribution to department heads.

ADMINISTRATION PROGRAM Disbursements \$1,150,312

PROGRAM DESCRIPTION: The Administration Program encompasses the following bureaus: Fiscal, Personnel, Plant Support and Operations, Medical Records and Administration. All non-clinical activities are controlled in this Program.

Administrative and Support Services are responsible for maintaining the efficiency and effectiveness of the activities encompassed by these major program areas: Care and Custody, Developmental Services, Community Services, Recreation Hall and Canteen. The following services would be included: (a) coordinating all policies and procedures for the Institution to assure compliance with laws and professional goals; (b) insuring the best patient care and rehabilitation; (c) providing for the effective and efficient operation of Warm Springs State Hospital as a whole; and (d) accounting for the use of Montana state resources through data collection and analysis.

PROGRAM BENEFITS:

Construction projects completed include:

1. Administration Annex – Centralization of the Fiscal, Billing, Patient Accounts, Medicaid Technician, Computer Terminals (Statistics) and Personnel into one area for more effective communication and coordination.
2. Geriatric Building – Single floor structure specifically adaptable for patients having ambulation problems or other physical handicaps.

PROGRAM BENEFITS: (continued)

3. Warren Building – Completely renovated building which insures privacy with an appropriate therapeutic setting for Regions I and II patients.
4. Special Diet Kitchen – Separate kitchen for the purpose of preparation of special diets encompassing quality control and consistency in meeting the nutritional needs of patients requiring prescribed diets.
5. Laundry – Installation of new equipment and renovation of existing building for the purpose of consolidating Galen and Warm Springs state laundries.
6. Garage – Remodeling the old boiler room in order to centralize all maintenance of vehicles.
7. Life/Safety – Installation of fire doors and railings in Receiving Hospital and General Hospital. Installation of fire escapes in 66–67, 85 and General Hospital.

Responsibility accounting has been implemented whereby department heads are furnished monthly financial statements with accountability for the end result. The budgeting process has been redefined to reflect hospital operations in the four major program areas. Also, the main warehouse is completely on the Statewide Inventory Management System and contracts have been approved for all outside consultants.

The Department of Health has licensed 44 acute beds, 148 skilled beds and 228 intermediate beds.

Medicaid/Medicare has certified Receiving Hospital, General Hospital and the geriatric unit.

An agreement has been extended to the Montana Foundation for Medical Care to perform levels of care on long-term patients.

Progress has been continued toward meeting J.C.A.H. accreditation standards with:

(a) establishment of procedures for development and approval of hospital policies and procedures; (b) approval of policies and procedures for hospital services not previously covered by policy and procedures; (c) establishment of experimental research policy and Research Review Committee; and (d) initiating development of Warm Springs State Hospital Admission Policy.

Dramatic improvements have been made in the documentation requirements within the medical charts.

Strict adherence to the concept of position control allowed administration to adjust to a thirty percent reduction in the biennium budget with minimal lay-off of personnel.

All union contracts, with the exception of three craft unions, were renegotiated and ratified.

Awards dinner was reactivated to provide recognition of years of service and to increase employee morale.

PROGRAM BENEFITS: (continued)

The Physician/Psychiatrist Recruitment Program was expanded.

A viable industrial accident program was implemented to insure the safety of employees and to minimize our loss ratio under Workers' Compensation.

Legislative mandate encouraged sharing of services between Galen and Warm Springs. Staff at Warm Springs are performing dental services and laundry services for Galen.

An intensive treatment center for schizophrenics has been initiated in a section of the Receiving Hospital. Region I and II will be located within the recently remodeled Warren Building. The thrust of this approach is to more effectively utilize staff and to permit demolition of old hospital structures.

The Region Director's role has been clarified whereby we now have a built-in accountability for the overall operations of the region/unit.

Mentally retarded have been evaluated and a strategy plan has been drafted to transfer the patients to a more appropriate facility (Boulder River School and Hospital).

Simplified procedures for commitment to Warm Springs State Hospital were enacted by the 1977 Montana State Legislature. Also, progress was made toward implementing recommendations of the Mental Health Advisory Council.

Progress was made toward fulfilling specific objectives for which Warm Springs State Hospital was designated the responsible organization.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Personnel:

1. Develop an institutionwide policy on alternative actions.
2. Provide a personnel handbook for all employees with standardization of interpretations in the implementation of such practices.
3. Increase psychiatrist/physician salaries to a level which will permit Warm Springs State Hospital to compete successfully with other states and with the Montana Community Mental Health Centers.
4. Develop and implement a system of peer review for all categories of professional personnel.

Fiscal:

1. Extend SIM's Inventory to the maintenance warehouse and office supplies.
2. Extend the statewide accounting system to include revenue accounts.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: (continued)

3. Make definite decisions relating to the Institution's role in billing and clarification of the court's interpretation relating to patients' fiscal responsibilities for treatment at Warm Springs.
4. Implement the computerized billing system under ABAR.
5. Develop common nomenclature for statistics throughout the Institution to minimize paperwork requirements due to duplication of reports sent to various state agencies.
6. Participate in common patient information system and data base as recommended in 1978 Montana Comprehensive Mental Health Plan; develop a uniform management information system that includes financial data compatible with state and federal reporting requirements.
7. Fund Warm Springs State Hospital and Comprehensive Mental Health Centers through a single funding system geared toward unifying the hospital and community based programs. This recommendation presumes that integration of institutional and community programs can and must be achieved.
8. Remove patients' attorney from Warm Springs State Hospital payroll as soon as an alternative source of position funding can be found.

Continue efforts to meet standards of accreditation by Joint Commission on Accreditation of Hospitals.

Continue efforts to correct licensure and certification deficiencies.

Consider the standards developed by Wyatt vs. Stickney ruling on minimum standards, keeping in mind that these standards describe one shift only.

Warm Springs State Hospital Admission Policy and Information Manual should be distributed to District Courts, County Attorneys, Public Human Services Agencies and Regional Community Mental Health Boards to bring about institutional compliance with the Montana Comprehensive Mental Health Plan, 1977, to improve community knowledge about Warm Springs State Hospital, thereby promoting appropriate use of hospital facilities, and to meet the more generalized informational needs of community agencies, organizations and institutions.

Medical Electronics Services should be shared between Warm Springs State Hospital and Galen State Hospital; cross-coverage on-call responsibilities for provision of X-ray services.

Warm Springs State Hospital should participate with the other parts of the Montana Mental Health System in a unified patient-management plan which would include a tracking system that would follow the patient from the point-of-entry into the mental health system to the point-of-exit.

Mental health codes should be changed to provide that admissions to Warm Springs State Hospital are screened by community based facilities in a collaborative manner as part of a treatment plan.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: (continued)

Develop a long-range plan in consultation with professionals in the field concerning the role of institutions and community agencies with respect to the provision of services to the mentally ill within the next ten years.

Complete the renovation of General Hospital in order to meet Life/Safety standards.

Initiate Phase IV of the Warren Building in order to replace the roof and install appropriate windows.

Replace existing gas lines and loop water mains to insure positive water supply in cases of fire.

Continue existing program of grounds improvements, streets, curbs, sidewalks and tree removal and replanting.

Remodel some of the existing employee housing and replace the greenhouse.

CARE AND CUSTODY PROGRAM Disbursements \$9,633,462

PROGRAM DESCRIPTION: Warm Springs State Hospital is committed to the concept of providing high level care and custody services to resident patients. Care means adequate physical care of all patients in a clean, sanitary atmosphere. Attention will be given to each patient's need for relief from pain and discomfort. Patients will be given protection from injury and infectious disease. Medical treatment will be available to all patients. Custody means protection in regard to the rights of individual patients; a secure environment for patients who are potentially dangerous to themselves and others; broad-spectrum medical psychiatric services; placement of patients in appropriate "prosthetic" communities within the Warm Springs State Hospital whenever placement in a less restrictive community environment is unfeasible; long-term environment conducive to the patient's self-respect, comfort and happiness, whenever placement in a less restrictive community environment is unfeasible.

PROGRAM BENEFITS:

Recent survey reports indicated improvement of sanitation and infection control at Warm Springs State Hospital.

Protection of patient care and treatment rights were accomplished.

New dental operatory equipment was received and installed.

Geriatrics Unit, 219, was completed.

Remodeling of the Warren Building is underway with plans to consolidate Regions I and II in this remodeled structure during FY 1978.

PROGRAM BENEFITS: (continued)

Emergency dental service coverage was provided to Galen State Hospital and Montana State Prison.

Special diet kitchen was completed.

A more secure and safe facility was provided by moving the Children's Unit to Unit 66-67.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Establish respiratory breathing programs for all Warm Springs State Hospital patients who could benefit from this form of therapy.

Evaluate the role of volunteers in order to develop ways and means for improving utilization of Volunteer Services.

Maintain an adequate level of staffing and facilities.

DEVELOPMENTAL SERVICES PROGRAM Disbursements \$1,942,261

PROGRAM DESCRIPTION: An individual treatment plan is developed for each patient. The treatment plan describes appropriate psychiatric intervention and approaches designed to return the patient to optimum functioning. Goals for patients are stated in each treatment plan. These goals focus on outcomes such as ameliorating thought disorders, emotional discomforts, social functioning deficits, language impairments and vocational handicaps in Warm Springs State Hospital patients. The goals are directed and implemented toward improving the individual patient's functioning over a wide range of possible coping skills.

PROGRAM BENEFITS:

Progress was made toward implementation of milieu therapy and team treatment concepts.

Professional role relationships were clarified and medical Region Directorships were established. Alternatives to the so-called "medical model" concept of delivering mental health services were explored. A Committee on Treatment Alternatives was established to investigate ways and means of organizing hospital care and treatment services to meet the needs of seriously mentally ill persons more effectively.

An Intensive Treatment Unit for the rehabilitation of the schizophrenic patient was established.

The consultation agreement with the University of Washington School of Medicine was continued whereby Warm Springs State Hospital anticipates and prepares for the establishment of a psychiatrist residency program.

PROGRAM BENEFITS: (continued)

Progress was made toward meeting standards of "individualized" treatment as described in Title 38, R.C.M. 1947; implemented an individualized treatment program in regard to every Warm Springs State Hospital patient; performed continuous evaluation to assure that treatment programming is truly individualized for each patient.

Ways and means to decentralize rehabilitation services were performed in order to bring education and activity programs directly to patients their residence units.

The Children's Treatment Unit was opened July 15, 1976. Children's Treatment Unit educational programs were fully implemented with assignment of teachers directly to the Children's Treatment Units. Federal funds were utilized to establish prevocational and biofeedback training programs. Two Recreation Therapists and one Prevocational Counselor were added.

Undergraduate practicum was initiated for Psychology students attending Montana State University and the University of Montana. Planning was initiated for graduate level clinical psychology internship program.

Patient Profile Study was conducted to identify the met and unmet treatment needs of Warm Springs State Hospital patients.

The Reality Orientation Program which offers consultation and educational services to various Montana Mental Health Regions, including nursing home facilities, was enhanced.

Twenty-eight Reality Orientation Training institutes were conducted upon request of Montana Community Agencies by Warm Springs State Hospital Reality Orientation staff. These institutes involved participation of 1,490 individuals or trainees. 250 Warm Springs State Hospital staff members were trained in Reality Orientation principles.

Research projects were completed to include: (a) study of Verbal and Performance 10 scores of Native American Psychiatric Hospital residents; (b) implications of crowding on psychiatric patients; (c) assessment and evaluation of treatment needs of psychiatric hospital residents; (d) behavioral characteristics and least restrictive alternatives for institutionalized developmentally disabled adult patients.

A sensory integration program was developed for the schizophrenic patient.

Educational diagnostic capabilities for young adults was developed.

Patient populations within treatment units are being enabled to act in their own behalf through treatment approaches such as Ward Government.

Case Coordinator System was revised in some areas of the Hospital to offer more comprehensive and responsible delivery of institutional mental health services.

PROGRAM BENEFITS: (continued)

More effective Warm Springs State Hospital Comprehensive Community Mental Health Center coordination resulted in lower recidivism rate.

Patient population, age 60 or over, was reduced from 281 to 147 patients, including 56 transfers to Lewistown Center for the Aged.

Warm Springs State Hospital Intensive Treatment Unit applied for federal grant to establish halfway house extension of the Intensive Treatment Unit in Butte, Montana.

Individual continuity of care agreements were developed between Warm Springs State Hospital Children's Treatment Unit and Community Mental Health Centers; contracts were written with community agencies to develop community placement resources for Children's Unit patients; a referral and financial aide agreement was established between Warm Springs State Hospital and the Yellowstone Boy's Ranch Child Treatment Program whereby the Warm Springs State Hospital Children's Treatment Unit has assisted the development of community treatment programs for children.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Develop improved systems for reporting current treatment services rendered; develop improved methods for program evaluation with emphasis on therapy outcome studies.

Clarify the role of Warm Springs State Hospital in relation to the total network of Montana Mental Health Services.

Continue development of cooperative education programs involving personnel from University of Montana, Montana State University and other appropriate Montana educational institutions; establish Clinical Psychology internship program.

Continue exploration of ways and means to improve care and treatment services to seriously mentally ill patients.

Continue efforts to reorient institutional services toward the goal of providing active psychiatric treatment to acutely or chronically seriously mentally ill patients, to patients who may require moderate or long-term care, and to patients who present special treatment problems.

Provide comprehensive staff development program to increase staff competencies in specific treatment modalities.

Provide prevocational assessment and effective vocational training which would result in actual job placement on release.

COMMUNITY RELATED SERVICES PROGRAM Disbursements \$1,023,309

PROGRAM DESCRIPTION: Warm Springs State Hospital has the responsibility to function effectively as part of the continuum of the statewide system of mental health care and treatment services. The Hospital function is coordinated effectively with the communities not only in receiving patients requiring the care and treatment available at Warm Springs State Hospital, but in transferring patients to less restrictive environments.

Warm Springs State Hospital also provides training, technical assistance, and public education to: (1) facilitate readjustment of the patient to the new community environment; (2) assist in reducing the occurrence of inappropriate admissions of patients to Warm Springs State Hospital; (3) assure coordination, accountability and continuity of care between Warm Springs State Hospital and the community; and (4) participate in community programs for the maintenance of mental health.

PROGRAM BENEFITS:

All developmentally disabled patients residing at Warm Springs State Hospital have now been evaluated and referred to Boulder River School and Hospital or to the Developmental Disabilities Division of the Department of Social and Rehabilitation Services.

Coordination between Warm Springs State Hospital and Comprehensive Community Mental Health Centers in regard to preadmission and aftercare planning was improved.

Reduction of the Warm Springs State Hospital patient census was continued to achieve "deinstitutionalization" objectives of the Montana State Department of Institutions and the Montana Administrative Department. Release of inappropriately admitted patients was continued.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Continue cooperative planning for the release of inappropriately admitted patients, including geriatric and developmentally disabled patients who are not seriously mentally ill.

Establish **maximum** coordination and communication between Warm Springs State Hospital and community treatment and aftercare programs.

Develop joint agreements between Warm Springs State Hospital and Comprehensive Community Mental Health Centers for administrative decision making.

RECREATION HALL AND CANTEEN PROGRAM Disbursements \$128,839

PROGRAM DESCRIPTION: The Recreation Hall and Canteen Program provides a restful and relaxing area in which patients and visitors may be supplied snacks, fountain services and sundry items such as candy, tobacco, and chewing gum. The primary objective of this Program is to encourage the rehabilitation of withdrawn patients by allowing opportunities for those patients to make purchases and to participate in activities and responsibilities resembling those encountered in ordinary community living.

PROGRAM BENEFITS:

Canteen operations have been centralized in the Recreation Building with more effective utilization of staff.

Grammar School in the Recreation Building has been phased into the Anaconda School District. This area will be turned into a lounge and occupational therapy area for the patients.

Cost of operation has been minimized by strict controls over inventory and change in the internal functioning in which a self-service operation has been implemented. The objective is to maintain a break-even point in terms of revenue and expenditures.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Redesign the aesthetics of the canteen to make the canteen more compatible with community oriented enterprises.

CENTER FOR THE AGED

AGENCY DESCRIPTION:

This agency exists for the purpose of providing a home, treatment and protection for geriatric patients being discharged from Warm Springs State Hospital. The Center for the Aged has been determined to be the least restrictive environment and an appropriate placement for meeting individual patient's needs.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

Employment policies provide equal opportunity. Admission policies and facility services are developed with no discrimination for race, creed, color or handicap.

ADMINISTRATION PROGRAM Disbursements \$182,733

PROGRAM DESCRIPTION: The Administration Program is responsible for planning, organizing, directing, coordinating and evaluating all programs involved in the operation of the Center, with the continuing goal of effective and efficient management of the facility.

PROGRAM BENEFITS:

Administration provided sound budget management and program direction for maximum benefits for patients and staff.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

There seems to be a need for additional staff, to include staff for payroll management, medical records, staff physician, and a stock and inventory clerk.

CARE AND CUSTODY PROGRAM Disbursements \$524,673

PROGRAM DESCRIPTION: The Care and Custody Program is responsible for fulfilling the physical and social needs of patients and maintaining federal and state standards of care.

PROGRAM BENEFITS:

This Program increased services to approximately 186 patients needing physical care, emotional support and protection.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

A social worker on a full-time basis is needed with 199 patients and the community admission procedure now being used. There also needs to be provision for utilization of a nurse practitioner to assist the physician program. Contracts for service from Mental Health for patient treatment should be continuous.

DEVELOPMENTAL PROGRAM Disbursements \$289,909

PROGRAM DESCRIPTION: The purpose of the Program is to assist patients in progressive physical and emotional development toward their maximum potential. This is accomplished through recreational activities, psychiatric treatments and other therapies.

PROGRAM BENEFITS:

This Program provided for maximum physical and emotional development of 186 patients.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Grounds should be improved to accommodate patients leisure time.

COMMUNITY PROGRAM Disbursements \$11,591

PROGRAM DESCRIPTION: The Community Program plans and organizes community involvement with facility and residents.

PROGRAM BENEFITS:

The Program assists in maintaining relationships with community services.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Increase patient family involvement through use of a social worker.

GALEN STATE HOSPITAL

AGENCY DESCRIPTION:

The Hospital's primary functions are the treatment of tuberculosis and silicosis and the treatment of alcoholism-related illness. If space is available, Galen State Hospital also treats other lung diseases and houses some mentally retarded persons. The Hospital also operates an Outpatient Pulmonary Clinic and gives consultant services to other institutions and physicians.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

We are signatory to Assurance of Compliance With SSA Regulations under Title VI of the Civil Rights Act of 1964, Section 606 of Title VI of the Federal Property and Administrative Services Act of 1949, as amended, and Section 504 of the Rehabilitation Act of 1973, as amended. Compliance data is posted in conspicuous locations throughout Galen State Hospital complex.

ADMINISTRATION PROGRAM Disbursements \$971,488

PROGRAM DESCRIPTION: This Program is designed to coordinate and supervise all activities regarding physical and operational functions, including financial, personnel, security, medical records and maintenance of the physical plant in order to attain stated objectives in all other programs.

PROGRAM BENEFITS:

In order to obtain our ultimate overall goals, without sacrificing quality medical care and treatment, we feel we increased our operating efficiency of personnel and financial resources.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Provide adequate facilities for a central storekeeping system, and provide funding for a personnel officer. Add one maintenance electrician as we are not able to keep up with work in this vital area.

Give serious consideration again to items requested in our long-range building program.

CARE AND CUSTODY PROGRAM Disbursements \$3,026,254

PROGRAM DESCRIPTION: This Program is designed and is responsible for the care and medical treatment to restore patients' health as quickly as possible, and provide nourishing meals and a clean and orderly environment.

PROGRAM BENEFITS:

We have continued to provide care and treatment of tuberculosis, and improved treatment modality for alcoholism. We transferred all resident senile aged patients to the Center for

PROGRAM BENEFITS: (continued)

the Aged. We closed Byram Hospital which housed our mentally retarded men and transferred these patients either to group homes or back to Boulder River School and Hospital.

We have provided 2,354 total inpatient admissions and 83,919 total inpatient days of care.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Provide beds, care and treatment for catastrophic illnesses, Montana veterans in need of skilled care, and youthful alcoholics. This would provide more benefits to the people of Montana. Better utilization of available hospital beds would increase efficiency.

DEVELOPMENTAL PROGRAM Disbursements \$177,890

PROGRAM DESCRIPTION: The Program provides care and rehabilitative services to both regular hospital and addictive disease patients.

PROGRAM BENEFITS:

We provide inhalation therapy, physical occupational therapy and counseling via an individual treatment plan for each patient, all designed through the use of modern intervention techniques to return patients to optimum functioning levels with the goal of their being placed into a less restrictive setting.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Provide added rehabilitative services to our program structure. This would reduce length of stay at Galen.

COMMUNITY SERVICES PROGRAM Disbursements \$41,632

PROGRAM DESCRIPTION: The Program coordinates both receiving and placement functions of patients with communities.

PROGRAM BENEFITS:

The Program provides information to communities with a wide range of services available at Galen, cooperates with state agencies in the placement of patients into settings of less restrictive environment, and assures accountability and continuity of care between the community and Galen.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Interconnect through a computer system with all alcohol programs in Montana and share data and treatment results to determine our weaknesses and strengths in reaching our goals and objectives.

MONTANA VETERANS' HOME

AGENCY DESCRIPTION:

Montana Veterans' Home continues to serve to provide a home for qualified veterans, both male and female, and, in some instances if space is available, for wives and widows.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

Members are received regardless of race, color, creed or national origin. Activities are provided for all residents and are not directed to any single group or interest.

ADMINISTRATION PROGRAM Disbursements \$70,737

PROGRAM DESCRIPTION: The Administration Program maintains records as required by law, and provides overall supervision of the complete facility.

PROGRAM BENEFITS:

The maximum level of care was maintained at one of the lowest per diem costs in the nation (\$10.24 daily in the Domiciliary and \$22.44 in the Nursing Home).

A portable radio with four channels, Pageboy scanner and charger for emergency use, was purchased. This is to be used in the event of a power shortage or telephone outage to give desired contact with local police, fire department, or for any emergency service.

The road in the garage and maintenance areas was resurfaced with gravel through the cooperation of Flathead County Road Department. Construction of a new plumbing, electrical and paint shop was completed. Demolition of the old garage and storage shed was completed.

There were trees replanted along the entrance way and at the Montana Veterans' Home Cemetery through the cooperation of veterans' groups.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Provide adequate funding to permit payment of double time and a half for employees unable to take a "comp" day during the designated pay period.

CARE AND CUSTODY PROGRAM Disbursements \$627,428

PROGRAM DESCRIPTION: The Care and Custody Program is primarily concerned with the basic care, hygiene and protection of the members, with the least restrictions possible, while maintaining a homelike atmosphere.

PROGRAM BENEFITS:

33,875 days of domiciliary care were furnished with an average daily population of 92.8 members. There was an average daily population of 38.2 patients in the Nursing Home with 13,937 days of care furnished. The average food cost per meal was 38¢.

Plans were completed for an asphalt walkway around the property. The property will be built in cooperation with the Flathead County Road Department and funded by the Montana Veterans' Home Memorial Foundation.

Preliminary planning for repair of the stairway to the river dock and Aronson Park was done, as the older stairway is unsafe for further use.

An agreement was made with Flathead County Commissioners and the Flathead County Road Department to repair roadway and parking areas, and also to surface the road around the new facility.

An initial request for additional water well and fire loop for fire protection was made.

Three completed ball fields for ladies softball league, Babe Ruth and American Legion baseball are at Montana Veterans' Home. These were constructed and are maintained by the public.

An Alcoholics Anonymous Chapter has been established and headquarters at the Home.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Increase the capacity of the Nursing Home from 40 beds to 120 beds. This should be first priority as in the past two years over 60 applicants have died before they could be admitted. The average age of World War I veterans is 81 years; the average age of World War II veterans is 60 years. Federal studies have shown that 120 beds is the optimum figure for efficiency and economy in operation.

Provide adequate parking space for the 57 employees.

DEVELOPMENTAL PROGRAM	Disbursements	\$14,220
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PROGRAM DESCRIPTION: The Developmental Program is responsible for rehabilitating and maintaining the mobility of Nursing Home patients and Domiciliary residents as prescribed by the Home physician, and providing therapy for residents.

PROGRAM BENEFITS:

An intermittent cervical traction device and other necessary therapeutic equipment was acquired. Much of this equipment was purchased through Montana Veterans' Home Memorial Foundation. A Hydrocollator and Medco-Sonolator with cabinet, was donated to the Home.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Provide a fulltime physical therapist. Currently a physical therapist is at the Home only two hours per week.

FARM PROGRAM Disbursements \$2,694

PROGRAM DESCRIPTION: The Revolving Farm Account was established to provide an enterprise method of accounting for the farming operation which exists to reduce over-all costs of Home operation.

PROGRAM BENEFITS:

Garden vegetables such as potatoes, spinach, corn, carrots, onions, cabbage, rutabagas, beets, string beans, radishes and peas were grown for the Home.

Volunteers from the community, along with residents of the Home and off-duty employees, assisted in the preparation and preserving of over 4,000 pounds of cherries and other fruits donated to the Home for winter consumption.

The Home participated in a Summer Program for Economically Disadvantaged Youth.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Continue usage of seasonal employees to assist with initial care of vegetable gardens as well as with the harvest and other grounds duties.

AGENCY DESCRIPTION:

The statutory authority for the Department of Labor and Industry under executive reorganization is contained in Title 82A, Chapter 10, R.C.M. 1947. The head of the Department is the Commissioner of Labor and Industry who is appointed by the Governor and subject to confirmation by the Senate.

The Department consists of the Employment Security Division, the Labor Standards Division, the Human Rights Division, the Personnel Appeals Division, and the Workers' Compensation Division. On July 1, 1977, the Governor's Employment and Training Council was assigned to the Department and became the Employment and Training Division (their report for FY 1977 is included with the Department's Annual Report).

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

It is the policy of the Department of Labor and Industry to follow equal employment opportunity laws and regulations in all matters pertaining to personnel, including recruitment and selection procedures and the development of personnel policies and procedures. Most of the divisions have approved affirmative action plans and all of them have worked to provide increased employment opportunities for women and minorities. Several positions which have been traditionally filled by males have been recently filled by women. In addition to providing employment opportunities, agencies in the Department continually work to administer program services and benefits equally to all citizens regardless of sex, age, race, color, religion or national origin. Two agencies in particular place major emphasis on equal opportunity: A primary program effort of the Human Rights Division is the administration of the Freedom From Discrimination Act, and the Women's Bureau works full time to promote equal opportunities for women.

EMPLOYMENT SECURITY DIVISION

EMPLOYMENT SERVICE AND UNEMPLOYMENT INSURANCE PROGRAM

. Disbursements \$63,594,228

PROGRAM DESCRIPTION: The Program exists because of federal and state social legislation to provide employment, training and unemployment insurance services for the general welfare of all the citizens of the state.

PROGRAM BENEFITS:

The following benefits were provided by the Program during FY 1977:

1. Registered 112,290 jobseekers for employment and/or other services.
2. Placed 30,207 individuals in 48,937 total job placements in industrial and agricultural jobs.
3. Obtained 50,527 industrial job openings as a result of 33,857 employer visits.
4. Enrolled 277 new teachers and administrators for teacher placement services and placed 210 in teaching and administrative positions.

PROGRAM BENEFITS:

5. Provided 49,267 counseling services to aid applicants in vocational choice and job development.
6. Provided special services for 35,591 youth, 15,677 older workers and 8,589 handicapped workers.
7. Administered 14,737 special tests to determine worker aptitudes and proficiency.
8. Placed 570 young men and women in Job Corps Training with over 90 percent placed in jobs, returned to school or entered military service after training completion.
9. Processed 60 employer applications for importation of alien workers, with 25 approvals and 35 denials.
10. Enrolled 3,026 persons in the Work Incentive Program (WIN) to bring total program participants to 5,079. Placed 1,262 WIN enrollees in jobs for a considerable savings in welfare dollars.
11. Carried an enrollment of 1,189 persons in the Concentrated Employment Program (CEP) after 982 additions in FY 1977 in a six county area. Placed 568 in jobs after completion of training.
12. Serviced an enrollment of 5,231 persons in the Public Service Employment (PSE) programs with a 44 percent veteran representation. Placed 1,174 in unsubsidized jobs after PSE completion.
13. Provided On-the-Job Training (OJT) for 2,192 individuals through employer and/or institutional classroom training, resulting in 822 job placements.
14. Injected \$42,175,214 into the Montana economy by way of 571,275 unemployment insurance checks under eight separate state and federal programs, with the average weekly check in the amount of \$75.81.
15. Collected \$24,554,112 in insured employer tax contributions for the state unemployment insurance trust fund.
16. Resolved 1,899 claimant and/or employer grievances through the appeal referee process, and 177 through the higher authority Board of Labor Appeals.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Implementation of the following recommendations would result in improved program performance:

1. Improve the Rural Concentrated Employment Program by the development of more training facilities and a more flexible schedule of training slots.
2. Provide more Job Corps opportunities for young women by expanding the training slots from 50 to 200.
3. Strive for understanding and recognition by the federal government of the unique problems facing rural areas in Work Incentive Program operations so that allocation formulas would permit more equitable funding for additional staff and equipment in these locales.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: (continued)

4. Expand the involvement of employers, labor unions, and other interested parties in the Job Service Improvement Program so that agency operations and services can become more known, meaningful and effective.
5. Increase computerization of more unemployment insurance operations, including computation of benefit entitlement, with eventual on-line capability at all local Job Service offices.

HUMAN RIGHTS DIVISION Disbursements \$182,213

PROGRAM DESCRIPTION: Section 82A-1015, R.C.M. 1947, establishes the Human Rights Commission as a quasi-judicial board. The Human Rights Division is the staff of the Human Rights Commission as defined in Title 64, Chapter 3, R.C.M. 1947, and the Montana Administrative Code. The Commission/Division exists to eliminate discriminatory practices by conference, conciliation and persuasion and, as necessary, hearings. The Commission/Division is responsible for programs initiated for the purposes of broadening the base of job recruitment, encouraging and enforcing employers and labor unions to comply with the policy of Freedom from Discrimination, promoting equal opportunities, and augmenting enforcement of equal opportunities through educational programs.

PROGRAM BENEFITS:

The following benefits were provided by the Program during FY 1977:

1. Received 252 complaints of discrimination.
2. Settled 130 cases of discrimination (2 Declaratory Rulings, 16 No Jurisdictions, 14 Withdrawn, 40 Administrative Closures, 40 No Causes, 18 Conciliations).
3. Maintained annualized conciliation amounts of \$104,427 as per Equal Opportunity Commission guidelines.
4. Completed agreements not to discriminate according to physical handicap or schooling.
5. Increased awareness in employers and employees of Montana discrimination laws.
6. Conducted five on-site reviews of CETA related programs for positive Affirmative Action, resulting in more job opportunities for women and minorities.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Implementation of the following recommendations would result in improved Program performance:

1. Develop goals and objectives for units within the Human Rights Division which lead towards positive evaluation and more effective, efficient operation.
2. Implement an early resolution process to expedite case resolutions to the benefit of both complainant and respondent.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: (continued)

3. Develop methods to reduce case backlog.
4. Develop regulations for the implementation of the Fair Practices Act for inclusion in the Montana Administrative Code. This will result in uniform application of the Code of Fair Practices to all state and local governmental agencies.

EMPLOYMENT AND TRAINING DIVISION

COMPREHENSIVE EMPLOYMENT AND TRAINING ACT (CETA) . . Disbursements \$18,567,767

Although the Comprehensive Employment and Training Act is funded according to the federal fiscal year (October 1, 1976 through September 30, 1977), the following figures are applicable to the state fiscal system, in accordance with Annual Report Data Sheet requirements:

Title I	\$ 4,290,402
Special Grant 5%	261,800
Title II	4,552,736
Title III (Migrant)	543,100
Title VI	3,876,940
Office Administration	<u>345,222</u>
Total	<u>\$13,870,200</u>

PROGRAM DESCRIPTION: The Governor's Employment and Training Council is appointed by the Governor to administer P.L. 93-203, the Comprehensive Employment and Training Act (CETA), under which the Governor is a prime sponsor for the receipt of funds. The Employment and Training Division provides administrative staff and support to the Council. The purpose of the CETA program is to provide employment and training opportunities for unemployed, underemployed and economically disadvantaged Montanans.

PROGRAM BENEFITS:

The following benefits were provided by the Program during FY 1977:

1. Provided employment and training opportunities for approximately 15,000 individuals.
2. Created or filled over 30,000 jobs.
3. Injected and generated over \$35,000,000 into the Montana economy.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Implementation of the following recommendations would result in improved Program performance:

1. Increase funding of CETA in order to generate greater employment opportunities for Montanans as well as to stimulate the state economy.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: (continued)

2. Increase cooperation between existing state agencies and the Services Committee of the Governor's Employment and Training Council to enhance coordination of employment and training related programs, and to identify and eliminate any program duplication.
3. Increase training opportunities for CETA program operators and service deliverers to keep up on continuing changes in and additions to the Act.

LABOR STANDARDS DIVISION Disbursements \$310,196

(Includes total expenditures for Commissioner's Office, Standards Bureau, and Apprenticeship Bureau.)

STANDARDS BUREAU

PROGRAM DESCRIPTION: The Standards Bureau is responsible for the supervision and enforcement of various labor laws including minimum wage; child labor; prevailing wage rates on public works contracts; Restaurant, Bar and Tavern Wage Protection Act; maternity laws; Wage Payment Act; Nurses' Relations Act; and contractors' surety bonds. The Program is also responsible for the licensing of private employment agencies. The Bureau works at all times to assure that all employees in the public and private sectors are properly paid for their work and to maintain a policy of standards for workers that will protect their health, efficiency and general well-being.

PROGRAM BENEFITS:

The following benefits were provided by the Program in FY 1977:

1. Processed 836 cases as follows:

Number of claims investigated	741
Number of businesses found in non-compliance	95
FY 1976 claims not completed and carried into FY 1977	372
Claims processed and closed in FY 1977	800
FY 1977 claims not completed and carried into FY 1978	308
Claims sent to Department of Revenue for collection (uncollected claims since 1972)	44
Field Inspections of businesses completed	224
Businesses in compliance	130
Businesses not in compliance	94
Formal Hearings held	97
Wages recovered through assigned wage claims	\$134,633
Wages recovered through field inspections	\$ 36,891
Total wages recovered in FY 1977	\$171,524

PROGRAM BENEFITS: (continued)

2. Administered the Restaurant, Bar and Tavern Wage Protection Act as follows:

Restaurants and taverns contacted	164
Bonds posted	213
Bonds not required	897
Bonds required but not filed	210

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Reduce travel expense considerably by assigning resident compliance officers in Missoula and Billings, especially if motor pool cars are made available in those areas.
2. Coordinate travel with other agency staff to reduce cost.
3. Revise procedures to make optimum use of additional staff members authorized by the 1977 Legislature.
4. Implement better statistical and cost analysis methods to provide additional information on the needs of Montana employees and employers for services provided by the Bureau, and on the costs associated with providing those services.

APPRENTICESHIP BUREAU

PROGRAM DESCRIPTION: The Apprenticeship Bureau, by both state and federal law, is the registration agency, and has authority over all apprenticeship and on-the-job training programs in the State of Montana. This Program implements federal and state legislation to provide registered training, apprenticeship programs and related services to the citizens of the state.

PROGRAM BENEFITS:

The following benefits were provided by the Program during FY 1977:

1. Enrolled 735 apprentices to bring the total of registered apprentices in the state to 1,754.
2. Enrolled 285 on-the-job trainees into the Program.
3. Prepared and issued Certificates of Completion for 159 OJT trainees and 345 apprentices.
4. Cancelled 312 apprenticeships and 160 OJT agreements.
5. Provided approximately 290 new program approvals for Veteran's benefits.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Implementation of the following recommendations would result in improved Program performance:

1. Expand the rural apprenticeship programs.
2. Improve job program development.
3. Extend program service to all current accounts.

WOMEN'S BUREAU Disbursements \$37,236

PROGRAM DESCRIPTION: The Women's Bureau works to establish an atmosphere in Montana which will allow women to contribute to society according to their fullest possible potential. This work is undertaken through efforts to improve employability development opportunities, increase awareness of job opportunities, and eliminate sexual barriers to employment for women.

PROGRAM BENEFITS:

The following benefits were provided by the Program during FY 1977:

1. Presented educational programs.
2. Provided technical assistance in the design and implementation of workshops.
3. Operated an information clearinghouse.
4. Maintained an information and referral service for women seeking jobs or wishing to file sex discrimination complaints.
5. Published educational materials.
6. Testified to both the State Legislature and Congress on legislation directly affecting women.
7. Coordinated and provided support for the Status of Women Advisory Council and the Interdepartmental Coordinating Committee for Women.
8. Provided staff support and direction for Montana's IWY regional and state meetings.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Implementation of the following recommendations would result in improved Program performance:

1. Develop data collection procedures and compile research on the changing employment opportunities, needs and problems of women in Montana.
2. Work with private organizations to help them initiate "counseling" programs for displaced homemakers and battered women in Montana.
3. Explore and develop the concept of "job sharing" in conjunction with working mothers and public and private employers in Montana.
4. Expand the Women's Bureau Clearinghouse in order to help meet specific information needs of individuals and programs throughout the state.
5. Obtain funding for an additional staff person to provide needed support for the ICCW, Status of Women Advisory Council, and the proposed Women's Policy Committee.
6. Develop and make available publications on such topics as "Employment Rights for Montana Women," "Equal Credit Opportunity for Women," and "Employment and Training Opportunities for Montana Women."
7. Develop and provide employment awareness workshops and career planning clinics for women.

PERSONNEL APPEALS DIVISION Disbursements \$212,431

PROGRAM DESCRIPTION: The Board of Personnel Appeals, through the Personnel Appeals Division, administers the Collective Bargaining Act for public employees. The Act encourages the practice and procedure of collective bargaining to arrive at friendly adjustment of all disputes between public employers and their employees. The Board is also responsible for ensuring that all state government employees have the right to appeal their assigned classification and grade levels in accordance with a fair and equitable appeals procedure. In addition, the Board acts to ensure that Department of Highways employees have the right to grieve general conditions of employment in accordance with a fair grievance procedure. In all matters, the Personnel Appeals Division is the administrative staff and support to carry out the responsibilities of the Board.

PROGRAM BENEFITS:

The following benefits were provided by the Program during FY 1977:

- 1. Provided services for 21 representation elections, 27 mediations, 24 fact findings, and 35 unfair labor practice charge resolutions.
- 2. Handled 102 classification appeals.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Implementation of the following recommendations would result in improved Program performance:

- 1. Develop procedures to expedite the handling of classification appeals. This would save the agency, appellants and appellants' agency time and money.
- 2. Provide training to ad hoc fact finders, arbitrators and staff mediators. This would insure a better service rendered to the public in the handling of labor relations disputes.

DIVISION OF WORKERS' COMPENSATION

DIVISION DESCRIPTION:

The Division of Workers' Compensation administers the Workers' Compensation Act of Montana and several related statutes. Its responsibilities include the administration of the State Compensation Insurance Fund, the monitoring of claims handled by private insurance carriers and self-insurers, the administration of state industrial safety and health laws, and the provision of rehabilitation services to disabled workers.

ADMINISTRATION PROGRAM Disbursements \$1,308,771

PROGRAM DESCRIPTION: The Administration Program is responsible for providing management and support services to the Division. In addition, the Program is responsible for providing rehabilitation services to injured workers and for conducting audits of employer

PROGRAM DESCRIPTION: (continued) accounts, internal audit reviews, and investigations relating to compliance with provisions of the workers' compensation laws.

PROGRAM BENEFITS:

The following benefits were provided by the Program in FY 1977:

1. Proposed legislation which rewrote the Occupational Disease Act clarifying the language in certain sections and establishing specific, easy to follow procedures for all affected parties.
2. Proposed new legislation which established the Uninsured Employers' Fund, effective January 1, 1979, which enables injured workers of uninsured employers to receive compensation and medical benefits not presently available. The legislation also provides for civil penalties against employers who do not obtain the required coverage.
3. Assisted in the preparation of the Victims of Crime Compensation Act, effective January 1, 1978, which will pay compensation and medical benefits to innocent victims of criminal acts.
4. Participated with two state and two federal agencies in the Small Business Clinics held in twelve Montana cities, and presented information on workers' compensation coverage requirements to over 1,200 Montana employers.
5. Distributed thousands of pamphlets to employers and employees explaining workers' compensation coverage requirements and benefits.
6. Conducted the annual Claims Seminar for representatives of the insurance industry, attorneys, physicians and other interested parties.
7. Individually contacted or made presentations to over 1,400 Montana employers to explain the federal record keeping requirement under the Occupational Safety and Health Act.
8. Contacted, through rehabilitation counselors, 526 injured workers to assist them in various rehabilitation efforts.
9. Saved Montana employers and insurance carriers about \$700,000 in reduced administrative assessments through internal cost savings and administrative decisions.
10. Implemented a management information system which increased office efficiency and economy, improved claims processing, provided more accurate and up-to-date information, automated manual processes, and simplified the employers' payroll requirements.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Implementation of the following recommendations would result in improved Program performance:

1. Continue participation in the Small Business Clinics because of the overwhelming support for the Clinics, which are a major avenue for the provision of necessary information to Montana businesses.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: (continued)

2. Request the Long-Range Building Committee and the Legislature to allow the State Compensation Insurance Fund to build a facility capable of housing all the Department of Labor Divisions, except the Employment Security Division. The project is economically feasible and will increase efficiencies for all the Divisions' operations.

STATE INSURANCE FUND PROGRAM Disbursements \$12,561,025

PROGRAM DESCRIPTION: The State Insurance Fund Program operates and administers an insurance enterprise, enrolling employers, assigning rates, and paying claims to industrially injured workers.

PROGRAM BENEFITS:

The Program provided prompt and reasonable medical and compensation benefits to the injured workers of the State of Montana.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Implementation of the following recommendations would result in improved Program performance:

1. Implement a program to work directly with the State Insurance Fund insurers to make the employer aware of the costs of the industrial accidents and advise them of the steps that can be taken to reduce the costs. This program should consist of a team approach utilizing the efforts of the Underwriting Section, Claims Section and the Safety Bureau.
2. Establish a cooperative effort with the Division of Employment Security to furnish on-the-job training, through such programs as Concentrated Employment Program and Comprehensive Employment and Training Act, to get injured workers back to the labor market as quickly as possible. Maximum rates are now \$174 per week. If the average disabled worker could be returned to productive employment 10 weeks earlier than at present, the savings would be \$1,740 per case.

INSURANCE COMPLIANCE PROGRAM Disbursements \$1,205,664

PROGRAM DESCRIPTION: The Insurance Compliance Program oversees the processing of claims by injured employees of employers covered by private insurance companies and of employers who are self-insured.

PROGRAM BENEFITS:

The Program assured prompt, equitable and uniform delivery of the workers' compensation benefits by contact and constructive assistance in claims management.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Increase personal contacts with adjusting offices by conducting informational workshops for claims managers, adjusters and allied personnel in order to detect discrepancies in claims processing before they become items of major importance.

SAFETY AND HEALTH PROGRAM Disbursements \$544,958

PROGRAM DESCRIPTION: The Safety and Health Program is responsible for providing safety inspections of public agencies and employers engaged in coal mining, metal and non-metal mining, and logging, and for inspecting and approving the operation of boilers in the state. The Program also performs advisory inspections for other employers using the Federal Occupational Safety and Health Standards, licenses boiler and crane operators, certifies coal mine foremen, and conducts safety and health programs.

PROGRAM BENEFITS:

The following benefits were provided by the Program during FY 1977:

1. Safety compliance officers and industrial health personnel performed over 1,000 inspections and investigations at employers premises in an effort to eliminate safety and health hazards. This affected 20,938 employees and resulted in 18 serious violations found and abated, and 10,159 non-serious violations abated or scheduled to be abated.
2. Personnel conducted over 100 training courses in first aid, safety, cardiopulmonary resuscitation, and defensive driving for 1,717 people.
3. Boiler inspectors conducted 881 inspections or investigations, and reviewed 2,760 insurance company inspections, to insure boilers are properly maintained and competent operators are in charge of boilers and cranes.
4. Mine inspectors performed over 1,600 inspection and investigation activities in an effort to eliminate the hazards to which employees are exposed in metal mining, quarrying, sand and gravel pits, and coal mining.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Implementation of the following recommendations would result in improved Program performance:

1. Develop a computer program to withdraw injury experience by firm or by governmental entity in order to identify those having excessive frequency and severity experiences and to pinpoint where the injuries are occurring, and the type of injury. Hazards must be identified and eliminated to protect the working people from injury or illness.
2. Continue advisory inspection programs for private industry and work toward completing advisory inspections on state and local government entities. This is a means of calling attention to the hazards in an operation or work place.
3. Schedule compliance officers and inspectors into training programs when and where such training is available to keep them aware of changes and add to their expertise.

AGENCY DESCRIPTION:

The Agency is responsible for the administration, training and supervision of the Army National Guard and the Air National Guard through separate bureaus. The Office of the Adjutant General was originally created by Chapter 191 of the 1919 Laws of Montana. The Agency goals are to provide for the protection of life and property, preservation of the peace, maintenance of order and public safety within the state, and provide trained and equipped National Guard units to supplement the regular Army and Air Force in times of national emergency.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The National Guard maintained a Race Relations/Opportunity Branch in State Headquarters, Montana Army National Guard, with three officers and three enlisted persons assigned to these duties. A similar section with three officers and three enlisted persons exists in Headquarters, 163rd Armored Cavalry Regiment. Two officers and one non-commissioned officer are assigned to the Social Actions Section of the 120th Fighter Interceptor Group, Montana Air National Guard.

Women's program coordinators have been appointed to represent female employees of the state and the federal civil service of this department.

NATIONAL GUARD

ADMINISTRATION PROGRAM Disbursements \$118,724

PROGRAM DESCRIPTION: This Program provides administration and supervision for the Army National Guard, Air National Guard and Civil Defense Programs, and includes general supervision and centralized services. It includes salaries of the Adjutant General, Assistant Adjutant General, and secretarial and clerical personnel.

PROGRAM BENEFITS:

Accurate and effective fiscal records are maintained. Ever increasing reports are prepared and submitted to other departments of state government. Limited resources are effectively utilized in the day-to-day operations of the department.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Because of the increasing reporting demands placed on the Department in the fields of budget and program planning, race relations and equal opportunity, personnel, union activities, travel, fiscal and accounting, and energy reporting, and attendance at ever increasing meetings and conferences, additional funding and personnel should be provided.

ARMY NATIONAL GUARD Disbursements \$433,468

PROGRAM DESCRIPTION: The Army National Guard of Montana consists of approximately 2,100 members in 34 units located in 24 communities. Continuous recruiting is

PROGRAM DESCRIPTION: (continued) required to attain authorized unit strengths with the goal of maintaining the strength that will be supported by the federal government. Training standards are set by the Department of the Army to provide the maximum possible readiness for the federal mission which will, in turn, result in troops trained for protection of life and property in a state emergency.

The Army National Guard provides units and individuals with the maximum training which can be scheduled during 12 week-end training assemblies of at least 16 hours each and annual training of at least 15 consecutive days. This is supplemented by individual attendance at Army Service Schools and by Extension Courses (correspondence). Most of the funding for these objectives is provided by the federal government. The greatest state expenditure is for the operation and maintenance of training facilities and unit armories.

PROGRAM BENEFITS:

The National Guard provides trained and equipped National Guard units for state emergency duties as directed by the Governor, and to supplement the active forces in times of national emergency.

Progress has been made in improving our Week-End Training Site (WETS) at Fort Harrison and Townsend by adding some new ranges and courses and improving the capability of our old ones. A total of 2,800 individuals of the Montana Army National Guard from 20 units attended the WETS on 31 different weekends throughout the year.

The Montana OCS/NCOS graduated 7 officers and 29 NCOs in June, 1977. 122 officers and 74 enlisted personnel attended service and Army Area Schools during the year.

The number one priority during the fiscal year was to attain and maintain authorized strength. Although there were over 600 new enlistments and re-enlistments, the strength as of 1 July 1977 was only 82 percent (2,092) of the authorized 2,563. It appears that some types of incentives are going to be necessary if the Montana Army National Guard is going to maintain full strength in a no draft environment.

A new Personnel Management System (OPMS) was introduced into the Montana Army National Guard during the fiscal year. OPMS consists of the management policies and procedures by which commissioned officers of the Montana Army National Guard are selected, trained, assigned, developed, evaluated, promoted and separated from the ARNG. The purpose of OPMS is to increase the effectiveness and professionalism of the officer corps.

A Missoula multi-unit Armory facility was accepted on 1 June at a cost of \$765,000, funded from 75 percent federal and 25 percent state funds.

351 Guardsmen were called to state duty to provide necessary support to Warm Springs State Hospital and to provide security for the Belt Explosion Disaster.

During a two week period in January, the National Guard conducted civil deense exercises in eight of the state's major counties.

PROGRAM BENEFITS: (continued)

The Guard assisted the Division of Forestry, Department of Natural Resources and Conservation, on four separate occasions by providing twenty-nine 2½-ton trucks, four 400 gallon water trailers, one 1,000 gallon water truck, one gasoline truck, ten ¼-ton trucks and four helicopters. Approximately 250 civilian fire fighters were housed at the armory in Missoula for four days. A total of 110 Guardsmen volunteered their services during these fire emergencies.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Provide incentives for recruiting and retention of members:
 - a. State income tax exemption for training assembly and annual training pay.
 - b. Establishment of monetary educational assistance for younger members at units of the University System or Vo-Tech Centers.
 - c. Payment of an enlistment and/or a re-enlistment bonus.
2. Obtain and support a field training area in the Glasgow vicinity.
3. Adequately fund for building maintenance at armories and shops.

AIR NATIONAL GUARD Disbursements \$237,925

PROGRAM DESCRIPTION: The Air National Guard of Montana consists of approximately 900 members in the 120th Fighter Interceptor Group located at Great Falls International Airport, and a small state headquarters of 12 members at Helena. Continuous recruiting is required to attain authorized unit strength with the goal of maintaining that strength within the limits supported by the federal government. Training standards are established by the Department of the Air Force through the Aerospace Defense Command to establish the maximum possible readiness for the federal mission which, in turn, results in troops available for the protection of life and property in a state emergency. The unit maintains a 24-hour-a-day aircraft alert with aircraft available to respond within minutes to an enemy threat over Montana, North Dakota and Canada. The goal is to provide an Air National Guard organization at authorized strength, trained and equipped for state emergency duties as directed by the Governor, or to supplement the active Air Force in case of national emergency.

PROGRAM BENEFITS:

The 120th Fighter Interceptor Group, Montana Air National Guard, at Great Falls, again lived up to its reputation of being an outstanding unit. Several honors were received to substantiate this. For the second time, the Aerospace Defense Command William Tell weapons firing competition (F-106 category) was won by the 120th along with the Aircrew/Maintenance Trophy. For the fourth time the U.S. Air Force Missile Safety Plaque was awarded to "Big Sky ANG". For the second consecutive year the Aerospace Defense

PROGRAM BENEFITS: (continued)

Command "A" award was received. At the end of the year notification was received that the 120th would again be the National Guard Bureau's nominee for the coveted Hughes Trophy and that the unit was selected to receive one of five Distinguished Unit Plaques from the National Guard Bureau.

Noteworthy accomplishments were as follows:

1. Satisfactory Aerospace Defense Command Operational Readiness Inspection.
2. Personnel strength of 94 percent including 47 women.
3. Airmen fully qualified in their jobs - 88 percent.
4. Aircrews fully qualified - 100 percent.
5. Weekend training attendance - 98.1 percent.
6. Lowest NORS (Not Operational Ready - Supply) rate of all F-106 units 1.4 percent.
7. Flying hours allocation utilization - 100 percent.
8. Equipment management rating of "Outstanding".
9. For the 7th year conducted crash/fire rescue training school for state firemen.
10. Conducted 78 flyovers and 18 F-106 static displays as Bicentennial activity.
11. Began monthly C131 courier service for the Armed Forces Courier.
12. Accomplished a 16 percent reduction in energy consumption from 1975 base year.
13. Facility improvements activity:

Auto Maintenance Shops completed - \$621,918.

Power Check Pad/Noise Suppressor completed - \$190,217.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Recruiting continues to be a major problem area. It is therefore recommended that incentives be provided for obtaining recruits and for retention of members. These might include:

1. State income tax exemption for training assembly and annual training pay.
2. Establishment of monetary educational assistance for younger members at units of the University System or Vo-Tech Centers.
3. Payment of an enlistment and/or re-enlistment bonus.

EMERGENCY SUPPORT PROGRAM Disbursements \$46,787

PROGRAM DESCRIPTION: The Emergency Support Program provides National Guard members and units on state active duty for use as directed by the Governor in emergency situations and as authorized by Montana's Constitution. The Program's goal is to provide necessary assistance to minimize loss of life and property in emergencies declared by the Governor.

PROGRAM BENEFITS:

National Guard members and units responded to two emergencies declared by the Governor. The first of these was on November 11, 1976, to render aid and assistance and to furnish

PROGRAM BENEFITS: (continued)

support in the operation of the Warm Springs State Hospital during a labor dispute. On November 26, 1976, personnel of the Montana National Guard were ordered to active duty as a result of explosions and fires causing catastrophic damage at Belt, Montana.

DISASTER AND EMERGENCY SERVICES DIVISION

AGENCY DESCRIPTION:

The Division of Disaster and Emergency Services is responsible for the preparation, implementation, and maintenance of comprehensive plans and programs, coordinated with all levels of government, which outline preventive, preparedness and recovery measures to minimize injury and damage caused by all types of disasters.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

To insure that actions outlined in our approved Affirmative Action Plan are adhered to and to insure easy access to personnel, an EEO Officer has been designated for this Agency to coordinate and support the efforts of the Department.

CIVIL DEFENSE COORDINATION PROGRAM Disbursements \$185,337

PROGRAM DESCRIPTION: The Program coordinates all emergency preparedness programs in order to provide for the survival of the populace of Montana during any type of disaster.

PROGRAM BENEFITS:

This Program manages the state's efforts in civil defense training and exercises, in the allocation of federal excess and surplus equipment, and in requests and disbursements of federal financial aid, which has assisted all fifty-six political subdivisions to increase their operational readiness capability. In addition, disaster designations were requested for communities affected by fire, drought, and other physical and economic impact disaster conditions in FY 1977.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

We recommend the consolidation of all the state agencies' communications systems into one facility with central dispatch capabilities. This would eliminate the existing duplication of systems, personnel, and space, as well as provide coordination of state personnel and resources during emergency situations which would increase our ability to provide for maximum public safety and protection of property.

EMERGENCY DISASTER RELIEF PROGRAM Disbursements \$93,477

PROGRAM DESCRIPTION: This Program was established explicitly to record and insure the proper distribution of all federal disaster relief funds to the public entities involved as authorized by Presidential Disaster Declarations.

PROGRAM BENEFITS:

All federal disaster relief funds for public entities must be handled through the State Coordinating Office, and this Program is the means of maintaining proper accounting records.

CIVIL DEFENSE CALIBRATION AND MAINTENANCE PROGRAM . Disbursements \$40,912

PROGRAM DESCRIPTION: This Program is designed to manage, operate and coordinate an overall radiological preparedness program for the State of Montana in preparation for nuclear incidents.

PROGRAM BENEFITS:

Classes on hazardous material identification and handling, radiological monitoring and radiological defense have been held throughout the state to assist local government in meeting their nuclear responsibilities. To keep vital radiological instruments in working condition, the exchange and servicing of pre-positioned instruments was also continued.

CIVIL DEFENSE CRISIS RELOCATION PROGRAM Disbursements \$45,363

PROGRAM DESCRIPTION: The Crisis Relocation Program provides planning for the in-place and relocated protection of population and continuity of government during a nuclear disaster.

PROGRAM BENEFITS:

The planning effort for the past fiscal year has been centered on risk area population allocations and completing emergency public information data for thirteen risk areas in the state as designated by the Department of Defense.

CIVIL DEFENSE NATURAL DISASTER RESPONSE PROGRAM . . Disbursements \$73,405

PROGRAM DESCRIPTION: This is a short term program specifically designed to develop a State Natural Disaster Response Plan for relief and assistance to individuals, businesses, institutions, and state and local governments suffering losses as a result of natural disasters and emergencies, including long-range recovery and reconstruction assistance.

PROGRAM BENEFITS:

Through the efforts of this Program, the "Montana Disaster Act of 1977" relating to civil defense, disaster and emergency services, and providing powers, duties, and authority for preparedness and assistance in emergencies and disasters, was drafted, submitted and guided to its successful passage by the Forty-fifth Legislature.

CIVIL DEFENSE TRAINING AND EDUCATION PROGRAM Disbursements \$15,094

PROGRAM DESCRIPTION: In an effort to assist local government to meet their responsibilities, this Program provides guidance and management training for local civil preparedness professionals, and also provides for the introduction of disaster administration concepts into regular school curriculums.

PROGRAM BENEFITS:

Ongoing projects which provided guidance and training to schools, businesses, and local government officials, were completed during the first quarter of FY 1977. Since that time, federal funding problems forced the layoff of all personnel and necessitated other agency programs to carry the responsibility until funding problems are solved.

LOCAL CIVIL DEFENSE REIMBURSEMENT PROGRAM Disbursements \$354,778

PROGRAM DESCRIPTION: The Program was set up specifically to record disbursement of federal civil defense grants to local political subdivisions.

PROGRAM BENEFITS:

This Program provides the accounting mechanism required by the federal government that requires the state to act as a disbursing agent for civil defense grants to political subdivisions.

AGENCY DESCRIPTION:

The Department of Professional and Occupational Licensing was established to provide administrative and clerical services to the thirty-one boards allocated to the Department for administrative purposes only.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The Affirmative Action Plan for the Department was approved by the Equal Opportunity Office on January 10, 1977. Each current employee and all new employees have been and will be provided a copy of the policy statement and complaint procedure. An informational meeting was held with all female employees concerning the rights of women, state employment opportunities, job classifications, appeal process and the formation of the Women's Bureau of the Department of Labor. All application forms for the various Boards are reviewed for possible discriminatory questions prior to processing a printing requisition. Applicants for available job opportunities are obtained from the Job Security Division, Department of Labor and by providing notice of opening with state departments, women's groups, Indian Alliance offices, and other areas of recruitment.

CENTRAL SERVICES PROGRAM Disbursements \$96,051

PROGRAM DESCRIPTION: Central Services Program provides budgeting, record keeping, purchasing, accounting, payroll, personnel and legal services to the thirty-one individual boards in the most efficient and effective manner possible. It also adequately staffs the Department to carry out the work required for and on behalf of the boards; disseminates information and forms to the general public, licensees and board members; provides office space and arranges for board meetings, hearings, and examination sites when requested; provides for a prorata assessment of Department costs on each board based on man days and operating costs of each board; and provides for approval of all contracts and expenditures of each board.

PROGRAM BENEFITS:

Central Services Program provides the required services to the public and individual boards.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

It is recommended that SBAS provide on one printout a monthly financial statement showing status of appropriation and earmarked revenue account balance for each board without excessive cost. It is also recommended that there be an increase in the number of boards which have adopted citizen or public participation rules and an increase in the number of boards which provide for reciprocal licensing and reduce the time required to act on applications.

BOARD OF ABSTRACTORS Disbursements \$1,483

PROGRAM DESCRIPTION: The Board of Abstractors insures public safety and welfare against incorrect title abstracts; conducts inspections of all new or change of ownership in title plants and assures that all abstract offices are properly maintained.

PROGRAM BENEFITS:

Completed the following accomplishments:

Number of Board meetings	2 (12 Board meeting days)
Number of Applications	7 (4 individuals, 3 business)
Number of Exams (Individual)	4 (all passed)
New Licenses	7 (4 individuals, 3 business)
Licenses Renewed	222 (159 individuals, 63 business)
Total Licenses	229
Number of Inspections	4

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Issue one original license and use carbonized renewal in window envelope to expedite renewal process.

BOARD OF ARCHITECTS Disbursements \$10,619

PROGRAM DESCRIPTION: The practice of architecture is a privilege granted by legislative authority and is not a natural right of individuals. It is necessary, as a matter of such policy and in the interest of the health, safety, and welfare of the people of Montana, to provide laws covering the granting of that privilege and its subsequent use, control, and regulations for the purpose of protecting the public from the unprofessional, improper, unauthorized, and unqualified practice of architecture. The purpose of the Board of Architects is to implement these provisions by review of all parts of the licensing process by qualified professionals.

PROGRAM BENEFITS:

The Board of Architects completed the following accomplishments:

Number of Board Meetings	5 (15 Board meeting days)
Number of Applications	65
Number of Examinations	21 (12 passed)
Licenses Granted by Reciprocity	36
Licenses Granted by Examination	12
Licenses Renewed In-state	218
Licenses Renewed Out-of-state	305
Total Active Licenses	571
Number of Complaints	7
Number of Complaints Resolved	6

BOARD OF ATHLETICS Disbursements \$2,366

PROGRAM DESCRIPTION: The Board of Athletics directs, manages, and controls professional boxing and wrestling events in the State of Montana and protects the public from fraud. It also guarantees purses of athletes participating in boxing and wrestling events; and controls licenses to make certain all applicants are qualified to meet opponents in professional boxing, sparring or wrestling.

PROGRAM BENEFITS:

Interest in boxing and wrestling increased with three promoters licensed in 1977 compared to only one licensed in FY 1976.

Two board meetings (five board meeting days) were held. 21 licenses were issued. One complaint was filed, investigated and resolved and four sanctions were granted.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

With interest in boxing and wrestling on the increase, the need for inspectors will increase. Both male and female inspectors are required due to the increased participation by female boxers and wrestlers. Funding for travel for board members and staff must be considered a major item, so that the number of professional boxing and wrestling events scheduled will be controlled according to the law and rules of the board.

The number of days allowed for contracts to be sent to the Board office should be revised to 5 days from 8 days due to the unanticipated accidents many boxers and wrestlers encounter in training just prior to an event.

BOARD OF BARBERS Disbursements \$13,960

PROGRAM DESCRIPTION: The Board of Barbers protects the health and welfare of the public by periodic inspections of barber shops and an annual health examination by licensed barbers. Board of Barbers also assure the public that licensed barbers meet standards of competency in their practice, and regulate barber colleges in the public interest.

PROGRAM BENEFITS:

The Board of Barbers completed the following accomplishments:

Number of Board Meetings	5 (15 Board meeting days)
Number of Applications	96 (27 Reg., 32 App., 37 Shop)
Number of Examinations	59 (27 Reg., 32 App.)
Examinees Passing Examination	48 (19 Reg., 29 App.)
New Licenses Granted	85 (19 Reg., 29 App., 37 Shop)
Licenses Renewed	955 (664 Reg., 41 App., 270 Shop)
Notice of Rule Changes	2 (2 Order of Rule Changes)
57 field inspections were made and one District Court hearing attended.	

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Legislation should be enacted requiring examination of all instructors before they are licensed to operate a barber school.

BOARD OF CHIROPRACTORS Disbursements \$4,399

PROGRAM DESCRIPTION: The Board of Chiropractors regulates the chiropractic activities in Montana by examining and licensing only those who meet the qualifications and monitors the practice of all licensees to assure the public of professional competence in this field.

PROGRAM BENEFITS:

The Board supported legislation to strengthen the continuing education requirement and broadened the scope of the unprofessional conduct section.

Two Board meetings were held (12 Board meeting days). Ten applications were received. Seven licenses were granted by examination; 176 licenses were renewed; a total of 176 licenses issued.

BOARD OF COSMETOLOGISTS Disbursements \$57,026

PROGRAM DESCRIPTION: Through the regulation and licensing of schools, instructors, manager operators and salons, the Board maintains a constant vigilance in its charge to protect the health, safety and welfare of the public.

PROGRAM BENEFITS:

The Board is constantly striving to improve training programs for its instructors, thereby assuring qualified training of students. This will aid the Board in providing protection to the public.

Qualified training in schools assures expertise of licensees in the profession that will guarantee protection of the public.

Through its association with the National Interstate Council of State Boards of Cosmetology and other Boards of Cosmetology, the Board is able to standardize curriculums of training, examinations and licensing qualifications. This aids in assuring that out-of-state applicants have received training equivalent to a Montana resident.

Four Board meetings (60 Board meeting days) were held. 313 applications were received and 205 examinations held, with 189 passed. 165 temporary permits were issued. 319 new licenses were granted (Examination - 189 - Reciprocity - 31 - Salons - 99), and 5,038 licenses were renewed (Operator - 4,184 - Instructors - 74 - Schools - 13 - Salons - 752 - Electrologists - 8 - Electrolysis Salons - 7)

PROGRAM BENEFITS: (continued)

Other accomplishments completed include:

Educational Program Enrollment	389
Continuing Education Records	74 (Instructors Only)
Number of Inspections	2,063
Number of Complaints	2
Field Investigation of Complaints	2
Informal Hearings	1
Number of Rule Changes	2
Order of Rule Changes	2

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

It is recommended that the renewal date for manager operators and salons be changed from December 31st of each year to the anniversary of their original date of issue. This would ease the workload during the annual renewal period.

BOARD OF DENTISTS Disbursements \$13 477

PROGRAM DESCRIPTION: The Board of Dentists regulates the profession of dentistry and dental hygiene in Montana by reviewing applications, conducting examinations and monitoring the practice of licensees in the public interest.

PROGRAM BENEFITS:

The following were accomplished:

Number of Board Meetings	4 (6 Board meeting days)
Number of Applications	95 (45 DDS - 50 DH)
Number of Examinations	88 (41 DDS - 47 DH)
Number Passing Examination	75 (35 DDS - 40 DH)
Temporary Licenses Granted	8 (Dental Hygienists)
Licenses Granted by Examination	75 (35 DDS - 40 DH)
Licenses Renewed	867 (690 DDS - 177 DH)
Total Licensees	942 (725 DDS - 217 DH)
Licensees out-of-state	373 (291 DDS - 82 DH)
Number of Complaints	10 (9 resolved)
Number of Notice of Rule Hearings	1
Number of Order on Rule Changes	1

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Continue the improvement of dental examination equipment.

ELECTRICAL BOARD Disbursements \$278,582

PROGRAM DESCRIPTION: The Electrical Board protects the people and property in the state from the danger of electrically caused hazards by determining that persons making electrical installations are qualified and insures that electrical installations meet the required safety standards.

PROGRAM BENEFITS:

Four Board meetings were held (30 Board meeting days). 183 applications were received with 113 of them approved. 158 examinations were given (65 Master and 93 Journeyman) with 148 passed (61 Master and 87 Journeyman), and two temporary permits granted. 173 new licenses were granted (35 by reciprocity) and 1,645 (671 Master, 572 Journeyman, and 402 Contractors) licenses were renewed, a total of 1,818 licenses. 12,000 inspections were made. 13 complaints were received; 12 field investigations conducted and 9 complaints resolved. One hearing was held.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

It is recommended that code enforcement be returned to the Electrical Board. Separation of the two makes it more difficult to locate unlicensed persons.

BOARD OF HEARING AID DISPENSERS Disbursements \$3,730

PROGRAM DESCRIPTION: The Board of Hearing Aid Dispensers protects the public from dispensers who fit aids improperly or who otherwise do not fulfill their duties and obligations as a Hearing Aid Dispenser. The Board investigates thoroughly all complaints and if they find the complaints to be valid and the dispenser does not resolve these complaints, the Board will then take action to revoke their license. The Board revoked one dispenser's license in 1977.

PROGRAM BENEFITS:

Licensees reduced 25 percent in Fiscal Year 1977, thus creating funding problems.

Two Board meetings (8 Board meeting days) were held. Six applications were received. Five examinations were given resulting in 4 examinees passing and 4 licenses granted. 36 licenses were renewed. Seven complaints were received with 4 resolved and one disciplinary hearing was held resulting in revocation.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Revise the law and rules pertaining to the qualifications for license to include a required training period. Also, change the six month traineeship now included in the rules to a one year traineeship. This way, the trainees would be more qualified and prepared for the examination.

BOARD OF HORSE RACING Disbursements \$76,791

PROGRAM DESCRIPTION: The Board of Horse Racing carries out the laws and rules of racing in the best interests of the betting public and racing industry, provides an opportunity for this industry to grow in Montana and to continue to improve the quality of race meets so that the betting public and horse breeders will have confidence in the integrity of all participants.

PROGRAM BENEFITS:

The Board of Horse Racing completed the following:

Number of Board Meetings	10 (50 Board meeting days)
Total number of licensees	3,873
Number of track inspections	13
Number of track rulings	63
Number of days authorized	113
Number of complaints	7 (5 bad tests - 1 electrical device)
Hearings	2
Complaints resolved	7
Notice of rule hearings	2 (one public)
Order of rule change	2
Number of fines	52
Number of suspensions	5

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The Board recommends that an Executive Secretary be hired and feels the public would benefit by not having so much Board travel.

BOARD OF MASSAGE THERAPISTS Disbursements \$1,824

PROGRAM DESCRIPTION: The Board of Massage Therapists exists for the purpose of protecting the interest, health and welfare of the public by assuring that standards of education, training and examination are met before licensure.

PROGRAM BENEFITS:

Special benefits for the public in 1977 were evident because of the high standards of the Board and their educational requirements. We were able to prevent the opening of several questionable establishments which would have been detrimental to the good of the public.

Two Board meetings (six Board meeting days) were held. Four applications were received. Two examinations were held and two licenses were granted by examination. Two temporary permits were granted. 92 licenses were renewed for a total of 94 licenses.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Continue to upgrade the educational standards by being sure new candidates are graduated from schools of massage that require 1,000 hours, and keep close tabs on questionable establishments in order to uphold the name of massage therapists.

BOARD OF MEDICAL EXAMINERS Disbursements \$46,544

PROGRAM DESCRIPTION: The Board of Medical Examiners insures that the public is properly protected against unprofessional, improper, unauthorized and unqualified practice of medicine and licenses competent physicians to practice medicine and thereby provides for the health needs of the people of Montana.

PROGRAM BENEFITS:

The Board of Medical Examiners completed the following:

Number of Board meetings	4 (42 Board meeting days)
Number of applications	144 (MD - 126, PT - 18)
Number of examinations	32 (MD - 27, PT - 5)
Licenses by reciprocity	124 (MD - 111, PT - 13)
Temporary permits granted	103 (MD - 101, PT - 2)
Licenses granted by examination	8 (MD - 3, PT - 5)
Licenses renewed	1,721 (MD - 1,580, PT - 133, Acup. - 8)
Total licenses	1,729
Number of complaints	17
Number of other disciplinary actions	17
Field investigations	11
Number of complaints resolved	11
Number of informal hearings	4
Notice of rule hearings	2
Order of rule change	2
Number passing examination	14 (MD - 9, PT - 5)

A short application form was drafted for medical doctors who wished to practice for less than 30 days in the state.

Emergency Medical Technicians were moved to the point that licensure or certification can be commenced in FY 1977-1978.

Personal appearances were waived for reciprocity applicants, unless the Board requests an interview.

Legislation was passed to enable the Board to know more about disciplinary problems in hospitals. This enables the Board to review problems before they become serious.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

It is recommended that the citizenship requirement be repealed.

BOARD OF MORTICIANS Disbursements \$6,196

PROGRAM DESCRIPTION: The Board of Morticians endeavors to guarantee that those persons working in this field meet professional competency requirements through education and examination. The Board inspects and licenses funeral homes to insure that they meet the public health standards as set by state law and rules, which include disclosure statements to protect the public from unscrupulous practices.

PROGRAM BENEFITS:

The Board of Morticians completed the following:

Two Board meetings (20 Board meeting days) were held. Eleven applications were received, (5 morticians and 6 interns). Nine examinations were held and passed (3 morticians and 6 interns). Three licenses by reciprocity were issued with internship waived. Thirteen new licenses were issued (Recip. 3, Intern 6, Mortician 4). 406 licenses were renewed (277 Mortician, 41 Funeral Director, 14 Intern and 74 Mortuary). 74 inspections were made. One complaint was resolved and one rule change (rule order) accomplished.

BOARD OF NURSING Disbursements \$82,622

PROGRAM DESCRIPTION: The Board has two main functions, licensing of schools and approval of schools. The qualifications for licensure are statutory and, in addition, the Board requires successful writing of the State Board Test Pool Licensing Examination. The standards for all nursing programs are set by the Board and approval of the schools is determined by compliance to those standards.

PROGRAM BENEFITS:

Program benefits to the public were an increase in professional nurses from 5,463 in FY 1976 to 6,786 in FY 1977, an increase of 24 percent; and an increase in practical nurses from 2,086 in FY 1976 to 2,907 in FY 1977, an increase of 39 percent.

Also, eight practical nursing schools and five professional schools were surveyed and approved. The aggregate number of nursing students in Montana, as of January, 1977, was 1,407, a slight decrease from 1,442 in January, 1976. Of the 1,407 students, 1,202 were in professional schools and 205 in practical schools. The schools are located in public institutions with the exception of two professional nursing schools, one of which is in a hospital and one in a private college.

PROGRAM BENEFITS: (continued)

The Board also completed the following accomplishments:

Number of Board meetings	4 (88 Board meeting days)
Number of Applications	1,878 (RN - 1,304, LPN - 574)
Number of Examinations	866 (RN - 534, LPN - 332)
Number Passing Examinations	824 (RN - 500, LPN - 324)
Licenses Granted by Reciprocity	996 (RN - 759, LPN - 237)
Licenses Granted by Examination	840 (RN - 505, LPN - 335)
Licenses Renewed	8,458 (RN - 6,079, LPN - 2,379)
Number of School Inspections	10
Number of Complaints	3
Number of Hearings-Disciplinary	1
Number of Schools Approved	12
Number of Rule Changes	2

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Complete the revision of Standards for Professional Schools.

Study the Nursing Practice Act. (A task force for this purpose has already been organized.

Include, either by legislation or interpretation, the authority of the Board to set standards for and approve programs which train health care assistants, who work with licensed nurses and who are a part of the health care delivery system in Montana.

BOARD OF NURSING HOME ADMINISTRATORS Disbursements \$13,808

PROGRAM DESCRIPTION: The Board reviews all applications for examination to insure that the applicants are qualified and meet the standards set by the Board so that we have qualified Nursing Home Administrators serving the nursing homes in Montana.

The Board also requires twenty-five hours of continuing education of all licensed administrators annually, whether they are active or inactive, to maintain the standards of the Nursing Home Administrators.

The Board, through its association with the National Association of Board of Examiners for Nursing Home Administrators, has set standards of licensing and examination similar to other states to insure qualified administrators coming into Montana and licensing through reciprocity to better serve the public.

PROGRAM BENEFITS:

The Board completed the following:

Number of Board meetings	2 (14 Board meeting days)
Number of Applications	21

PROGRAM BENEFITS: (continued)

Number of Examinations	14 (14 Examinations passed)
Licenses Granted by Reciprocity	4
Licenses Granted by Examination	14
Temporary Permits Granted	8
Licenses Renewed	210 (75 inactive)
Total Licenses	228 (20 out-of-state)
Continuing Education Programs Approved	117
Continuing Education Credits Verified	210
Number of Rule Changes	2
Order of Rule Changes	2

BOARD OF OPTOMETRISTS Disbursements \$4,909

PROGRAM DESCRIPTION: The Board is responsible for protecting the people of Montana in the visual health field by insuring that all applicants for licensure are qualified and competent in the optometry field. They also insure that optometrists in active practice in the state are aware of any changes in the optometry field by requiring them to attend continuing education programs annually.

PROGRAM BENEFITS:

One Board meeting (6 Board meeting days) was held. Ten applications were received. Eight examinations (Practical) were held. Six Licenses were granted by examination and 150 licenses were renewed. A total of 156 (43 are out-of-state) licensees were registered. There were 114 continuing education verifications. Six complaints were filed and 5 were resolved with one field investigation of complaint.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Require all applicants for licensure to pass both Part I and II of the National Board Examination before becoming eligible for examination instead of offering a written examination to those who did not pass.

BOARD OF OSTEOPATHIC PHYSICIANS Disbursements \$686

PROGRAM DESCRIPTION: The Board exercises jurisdiction in this health care field so that the public may be properly protected by having a responsible state authority to present problems arising from unqualified or incompetent practice of osteopathy.

PROGRAM BENEFITS:

The services of these health professionals was maintained in accordance with state and federal law. Three Board meetings were held. One application was received and one license was granted by reciprocity. Forty licenses were renewed, twenty of them active, and a total of 41 (24 out-of-state) licensees were registered.

BOARD OF PHARMACISTS Disbursements \$50,197

PROGRAM DESCRIPTION: The Board of Pharmacists effectuates legislative mandates and decisions pertaining to the practice of pharmacy. This includes licensing of practitioners and the control of distribution and dispensing of drugs and medical devices. It has a duty to interpret those mandates to realize the Board's public mission, which is "the protection of the health, safety and welfare of the citizens of Montana."

PROGRAM BENEFITS:

The Board used the NABPLEX (National Association of Boards of Pharmacy Licensing Examination) for all graduates of accredited schools of pharmacy applying for licensure as a Registered Pharmacist.

The Board of Pharmacy also completed the following accomplishments:

Number of Board meetings	4 (30 Board meeting days)
Number of Applications	737 (76 - Pharmacists, 32-Pharmacies, 590 - Stores, 39 - DDA)
Number of Examinations	121 (116 passing)
Licenses Granted by Reciprocity	38
Interns Registered	47
Licenses Granted by Examination	43
Licenses Renewed	2,922 (1,030 - Pharmacists, 321-Pharmacies, 1,227 - Stores, 344 - DDA)
Number of Inspections (On-site)	213
Number of Complaints	19 (7 - Verbal, 8 - Signed, 4 - found on inspections)
Number of Hearings (Disciplinary	4 (Informal)
Number of other disciplinary acts	4 (Informal)
Number of Complaints Resolved	18 (1 - did not respond after initial complaint)
Number of Rule Changes	4

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Initiate procedures whereby the provisions of the mandatory Continuing Education Act and the Drug Product Selection Act can be realized in an orderly fashion.

Continue to be involved in regional and national decisions affecting the practice of pharmacy in Montana.

Increase the number of field inspections of pharmacies, pharmacists and interns.

BOARD OF PLUMBERS Disbursements \$77,101

PROGRAM DESCRIPTION: The Board of Plumbers assures the public that all licensed master and journeyman plumbers are duly qualified to perform the work for which they have been licensed. They also insure that those persons engaged in the business of plumbing meet the accepted standards of health and sanitation for the proper protection of public health.

PROGRAM BENEFITS:

The Board of Plumbers completed the following in FY 1977:

Number of Board meetings	7 (60 Board meeting days)
Number of Applications	125 (94 - Journeyman, 31 - Masters)
Number of Examinations	151 (115 - Journeyman, 36 - Masters)
Number passing exam	87 (67 - Journeyman, 20 - Masters)
Licenses granted by examinations	87 (67 - Journeyman, 20 - Masters)
Licenses renewed	1,063 (758 - Journeyman, 305 - Masters)
Number of permits issued	2,662
Number of inspections completed	2,307
Number of complaints	11
Number of complaints resolved	8
Field investigation of complaints	9
Notice of rule hearing	3 (one public)
Order of rule change	2

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Return code enforcement powers to the Board.

BOARD OF PUBLIC ACCOUNTANTS Disbursements \$39,845

PROGRAM DESCRIPTION: The Board administers the uniform CPA examination and processes licensing for all qualified applicants who pass the exam and meet all other requirements. The Board also licenses those individuals who apply for Montana licensure by reciprocity from another state or transfer of grades from exams taken in other states, providing that such persons meet all other requirements. The Board regulates its own profession by investigating complaints submitted.

PROGRAM BENEFITS:

The Board completed the following accomplishments:

Number of Board meetings	10 (50 Board meeting days)
Number of Applications	464
Number of Examinations	450 (99 passed - 156 condition)
Licenses Granted by Examination	19 (13 CPAs - 6 LPAs)
Licenses Granted by Reciprocity	14 (All CPAs)

PROGRAM BENEFITS: (continued)

Licenses Granted-Completion of Experience	53 (All CPAs)
Licenses Renewed	1,064 (915 CPAs - 149 LPAs)
Out-of-state Licensees	307 (299 CPAs - 8 LPAs)
Total Number of Licenses Issued	1,150 (995 CPAs - 155 LPAs)
Continuing Education Records	610
Number of Complaints	9
Field Investigation of Complaints	2
Number of Complaints Resolved	9

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Clarify annual license renewals by an amendment.

Discontinue issuing receipts for checks submitted.

BOARD OF PODIATRY EXAMINERS Disbursements See Note

Note: Presently operating within the earmarked revenue account of the Montana State Board of Medical Examiners. On April 1, 1978, a separate account will be created by law.

PROGRAM DESCRIPTION: The Board of Podiatry Examiners licenses qualified podiatrists and regulates this field in the public interest as prescribed by law. The licensing and regulation is accomplished by qualified professionals.

PROGRAM BENEFITS:

The Board maintained a monitoring of new applicants and the practice of podiatrists presently licensed.

The Board completed the following accomplishments:

Number of Board meetings	1 (3 Board meeting days)
Number of applications	2
Licenses granted (reciprocity)	2
Licenses renewed	29
Total licensees	31 (15 out-of-state)
Number of Complaints	1
Number of suspensions or revocations	0
Other disciplinary acts	1

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Implementation of new law concerning podiatrists on April 1, 1978, is recommended.

BOARD OF PROFESSIONAL ENGINEERS AND LAND SURVEYORS . Disbursements \$42,034

PROGRAM DESCRIPTION: The Board safeguards life, health and property, and promotes public welfare by endeavoring to assure that only the qualified applicants become licensed. Simultaneously, it remains constantly vigilant, regulating the practice of Engineering and Land Surveying by licensed professionals. Seeking more advanced techniques in education, regulation and examination is a constant charge of the Board, as well as to investigate alleged complaints against any registrant.

PROGRAM BENEFITS:

The Board completed the following accomplishments:

Number of Board meetings	6 (98 Board meeting days)
Number of Applicants	451 (EIT - 174, PE - 224, LSIT - 23, LS - 26, ES - 4)
Number of Examinations	287 (EIT - 193, PE - 56, LSIT - 16, LS - 22)
Number of Examinees passing	220 (EIT - 157, PE - 48, LSIT - 10, LS - 5)
Licenses Granted by Reciprocity	157 (PE)
Licenses Renewed	2,283 (PE - 1,760, LS - 246, ES - 277)
Number of Complaints	12
Field Investigations	9
Disciplinary Actions	7

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Expedite and facilitate the renewal process.

Urge National to discover a more expeditious method to return examinations. The present 90 to 95 day period is problematic in many ways.

BOARD OF REAL ESTATE Disbursements \$176,642

PROGRAM DESCRIPTION: The Board of Real Estate administers examinations, grants licenses to the qualified applicants, and investigates complaints from the general public and from within the industry itself regarding the conduct of real estate transactions to insure the public of the highest possible standards of ethical practices by all real estate licensees doing business in Montana. The Board of Real Estate registers subdivisions located in the State of Montana and located outside the State of Montana.

PROGRAM BENEFITS:

A nine percent growth in licensees this fiscal year.

PROGRAM BENEFITS: (continued)

Also, the Board completed the following:

Number of Board meetings	14 (100 Board meeting days)
Number of Applications	1,684 (1,296 Sales, 288 Broker)
Number of Examinees	1,407 (1,170 Sales, 237 Broker)
Number Passing Examinations	770 (665 Sales, 105 Broker)
Licenses Granted by Examination	770
Licenses Renewed	2,795 (1,571 Sales, 1,224 Broker)
Out-of-State Licensees	74 (5 Sales, 69 Broker)
Number of Complaints	99
Field Investigation of Complaints	99
Number of Complaints Resolved	74
Number of Disciplinary Hearings	2
Number of Suspensions	2
Number of Revocations	1
Number of Rule Changes	3

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Study more thoroughly the subdivision laws for better registration procedures. Draft a Condominium Act for regulation of the increasing number of condominiums. Due to the number of complaints, increase investigation staff for better and quicker investigations of a complaint. Study the record keeping procedures for possible improvement.

BOARD OF VETERINARIANS Disbursements \$5,706

PROGRAM DESCRIPTION: The Board of Veterinarians insures that all veterinarians licensed are qualified and competent in their field, and that each veterinarian attends a continuing education program to keep up with the changing trends in their profession before issuing certificate of renewals. The Board insures that all veterinary technicians are duly licensed and qualified, and also performs, or has performed in its behalf, inspections of any licensed veterinarian's premises to provide uniform standards of sanitation and cleanliness in the public interest.

PROGRAM BENEFITS:

The Board implemented continuing education requirement of the law.

The Board also completed the following:

Number of Board meetings	2 (44 Board meeting days)
Number of Applications	49 (28 - Veterinarians, 21 Veterinary Technicians)
Number of Examinations	46 (25 - Veterinarians, 21 Veterinary Technicians)

PROGRAM BENEFITS: (continued)

Examinations Passed	40 (23 - Veterinarian, 17 - Veterinary Technicians)
Temporary Permits Granted	4
Registrations Granted by Exam	40 (23 - Veterinarian , 17 - Veterinary Technicians)
Registrations Renewed	557 (520 - Veterinarian, 37 - Veterinary Technicians)
Registrants Out-of-State	380 (374 - Veterinarian, 6 - Veterinary Technicians)
Continuing Education Approvals	545
Number of Complaints	9
Field Investigations of Complaints	2
Complaints Resolved	8
Other Disciplinary Actions	1 (No Suspensions or Revocations)
Number of Rule Changes	1 (1 Order of Rule Change)

BOARD OF WATER WELL CONTRACTORS Disbursements \$5,097

PROGRAM DESCRIPTION: The Board of Water Well Contractors reduces and minimizes the waste of ground water resources within the state by reasonable regulation and licensing of water well drillers in the state and protects the health and general welfare by providing a means for the development of the natural resource of underground water in an orderly, sanitary, and reasonable manner.

PROGRAM BENEFITS:

The Board accomplished the following in FY 1977:

Number of Board meetings	3 (15 Board meeting days)
Number of Applications	19
Number of Examinations	19 (13 passed)
Licenses granted by Examination	13
Licenses renewed	180
Total Licenses	193
Number of Complaints	19
Field Investigation of Complaints	16
Complaints Resolved	8
Hearings, Disciplinary	2 (informal)
Notice of Rule Hearing	1
Order of Rule Change	1

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

It is recommended that a water well inspector be hired to adequately enforce the law and rules.

BOARD OF PSYCHOLOGISTS Disbursements \$2,026

PROGRAM DESCRIPTION: The Board of Psychologists licenses psychologists by national examination, sees that the high standards of the law are carried out, and protects the public against those persons who would cause irreparable harm.

PROGRAM BENEFITS:

The Board completed the following accomplishments:

Number of Board meetings	2 (6 Board meeting days)
Number of Applications	9
Number of Examinations	5
Licenses Granted by Reciprocity	1
Licenses Granted by Examination	4 (1 Failure)
Licenses Renewed	68
Total Licenses	73

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Improvement needs to be made in the area of master's level. The Board is looking into the possibility of the holder of a Master's Degree being certified by the Board, but still working under a licensed psychologist. They are also looking into the possibility of continuing education.

BOARD OF SANITARIANS Disbursements \$2,473

PROGRAM DESCRIPTION: The Board of Sanitarians regulates those persons working in the sanitarian field and insures they are qualified through education and practical experience to serve in this field.

PROGRAM BENEFITS:

The Board completed the following accomplishments:

Number of Board meetings	4 (12 Board meeting days)
Number of Applications	24 (2 reciprocity)
Number of Examinations	32 (30 passed)
Probationary Certificates granted	13
Permanent Registrations granted	17
New Registrations granted	17
Registrations renewed	109
Number of Rule Changes	1

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

It is recommended that the Legislature repeal Section 69-3421, 69-3422, and 69-3423. R.C.M. 1947, as they are obsolete "grandfather" sections.

BOARD OF PRIVATE INVESTIGATORS Disbursements \$865

PROGRAM DESCRIPTION: The Board provides for licensure and regulation of those persons engaged in investigation, patrol and alarm operations in the private sector.

PROGRAM BENEFITS:

The Program impacts upon the whole security field and upon the conduct of individuals licensed because they know that they are responsible for their actions and performance of duties.

The Board completed the following accomplishments:

Number of Applications	33
Number of Examinations	22 (all passed)
Number of Security Checks	34
Licenses Granted by Examination	25
Licenses Renewed	61
Notice of Rule Changes	1 (1 Rule Order)
Licensure Denied	1

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

It is recommended that a penalty for late renewal be provided.

BOARD OF LANDSCAPE ARCHITECTS Disbursements \$3,268

PROGRAM DESCRIPTION: The Board of Landscape Architects insures to the utmost degree the admission to examination or reciprocity only those applicants who are well qualified for licensure. Further, the Board is able to refer for prosecution those who would violate the Act, as well as regulate the registrants.

PROGRAM BENEFITS:

The Board offered for the first time the CLARB examination to one examinee. The examination, a comprehensive three-day test, was a laborious undertaking for this new Board, who is yet inexperienced in this area. Several good lessons were learned.

The Board also completed the following accomplishments:

Number of Board meetings	4 (20 Board meeting days)
Number of Applicants	1
Number of Examinations given	1 (0 passed)
New Licenses	3
Licenses Granted by Reciprocity	0
Licenses Renewed	67
Total Licensees at end of FY 1977	70

PROGRAM BENEFITS: (continued)

Number of Complaints	1
Number of Litigations	1
Number of Rule Changes	1 (Public Hearing)

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

This being a new Board, with the number of applicants still remaining minimal, shortcomings in our policies, etc., are not yet too evident.

BOARD OF SPEECH PATHOLOGISTS AND AUDIOLOGISTS . . . Disbursements \$4,437

PROGRAM DESCRIPTION: The Board reviews applications submitted and approves or disapproves licensure for Speech Pathologists and Audiologists. The Board processes licenses for approved and qualified individuals on either a probationary or full licensure basis. Since the Board has been in existence for only one year, it is still addressing itself to problems of a new Board, such as clarification of an Aide's status. Provisional licenses were provided for those who applied by July 1, 1976.

PROGRAM BENEFITS:

The Board completed the following accomplishments:

Number of Board meetings	7 (35 Board meeting days)
Number of Applicants	105 (92 Speech - 13 Aud.)
Number of Temporary Permits Granted	2 (Speech Path.)
Number of Licenses Granted	245 (212 Sp. Path. - 33 Aud.)

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Clarify status of Aides and on what supervision should be.

BOARD OF WARM AIR HEATING, VENTILATION, AND AIR CONDITIONING
. Disbursements \$5,348

PROGRAM DESCRIPTION: The Board exists to ensure that those persons applying for licensure are qualified through examination and experience to do the work for which they are licensed, thus protecting the health and safety of the public.

PROGRAM BENEFITS:

The Board accomplishments for FY 1977 were eliminated by a District Court restraining order filed in February of 1976, which remained in effect through FY 1977.

Four Board meetings (24 Board meeting days) were held.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The Board drafted changes in cooperation with the two parties who had filed law suits to declare the law unconstitutional. The 1977 Legislature defeated the proposed changes. It is recommended that legislative changes be made to make the law workable.

BOARD OF RADIOLOGIC TECHNOLOGISTS Disbursements \$6,527

PROGRAM DESCRIPTION: The Board of Radiologic Technologists reviews applications and makes inspections to insure the health and safety of the citizens of this state from improper administration of x-ray radiation by qualifying only applicants who, by education, experience and examination are licensed.

PROGRAM BENEFITS:

The law was fully effective October 9, 1976. The Board supported legislation for upgrading the law for more effective public protection in the 1977 Legislative Session.

The Board also completed the following accomplishments:

Number of Board meetings	5 (26 Board meeting days)
Applications received	486
Licenses Issued	353
Permits Issued	59
Temporary Permits Issued	194

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The use of a national examination service is recommended so that the Board would not necessarily have to write or administer each examination. Examinations should be held in various locations to assure that persons operating x-ray equipment are qualified.

AGENCY DESCRIPTION:

The Department of Social and Rehabilitation Services is a multi-function agency, the purpose of which is to provide the necessities of life compatible with decency and health, to provide medical assistance to needy individuals who qualify and to help these people with casework services for self-care and self-support.

The Department provides services to children and adults who are in danger of abuse or exploitation. It helps blind and partially blind individuals become rehabilitated to the point of earning a living for themselves and their families and gain self-confidence and independence in daily living. The Department also assists senior citizens in preparing for retirement. SRS provides rehabilitation services to promote the restoration of handicapped Montanans to their fullest physical, mental, vocational, and social usefulness, and the Department helps veterans and their dependents in all matters concerning Veterans Administration affairs.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

In accordance with all applicable state and federal laws, it is the policy of the Department of Social and Rehabilitation Services to provide equal employment opportunities for all persons regardless of race, color, religion, national origin, age, marital status, ancestry, receipt of public assistance, political beliefs, physical or mental handicap, ex-offender status and sex. To this end, we are implementing and will sustain a deliberate commitment to equalize employment opportunities for minorities, women and handicapped at all levels and in all programs administered by the Department.

Affirmative action to eliminate discrimination on the above-named basis (except where religion, sex, age, ex-offender status and/or physical or mental handicap constitute a bona fide occupational qualification) includes, but is not limited to employment, recruitment, advertising, hiring, transfer, promotion, demotion, training, compensation, benefits, receipt of any service or financial aid with respect to their provision, layoff, termination and all other conditions of employment. All applicants for Department employment will be recruited from the available qualified labor market and employed in accordance with each person's qualifications and abilities. Handicapped persons will be considered for employment on the basis of the person's capacity to perform the particular job applied for and the feasibility of any necessary job accommodation. Periodic reviews will be conducted for determining whether the Affirmative Action Plan is achieving its objectives. Reports of these reviews will be the basis for appropriate action to correct deficiencies.

ECONOMIC ASSISTANCE PROGRAM Disbursements \$57,162,264

PROGRAM DESCRIPTION: Economic Assistance provides aid to needy households to enable them to meet their day-to-day needs. Categories of assistance are: Aid to Families with Dependent Children (AFDC), Food Stamps, Medical Assistance, Supplemental Security Income (SSI), Emergency Assistance, and General Assistance.

PROGRAM BENEFITS:

The Food Stamp Program helped meet the nutritional needs of an average of 28,189 individuals per month. AFDC provided cash assistance to 17,689 children and adults monthly. 16,494 persons received medical benefits in most recognized professional areas. Half the cost of the Medicaid Program is expended in nursing home care for the elderly. Children make particular use of eye glasses, dental care, and preventive health aspects of the program.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The cash benefit for households in the AFDC Program needs to be increased to nationally established poverty guidelines in order to enable these families to maintain themselves at a minimum level. The consumer price index is being utilized currently to adjust AFDC payments.

Medical costs need to be contained in order to maintain services. It is necessary to ensure the level of cost based on reasonable and necessary expenses. The development of a catastrophic health insurance program to assist persons not eligible under basic programs who have large medical bills is needed. Medical financial help in such cases can mean the difference between taxpaying, economically self-sufficient individuals and permanently impoverished citizens.

SOCIAL SERVICES PROGRAM Disbursements \$8,043,017

PROGRAM DESCRIPTION: The Social Services Program is designed to deliver a number of services to families and individuals: (1) to help alleviate economic dependency, (2) to increase an individual's ability to support himself, (3) to advocate for children, families and adults, (4) to provide services for children and adults who are in danger of being abused, neglected or exploited, and (5) to develop community resources as an alternative to institutionalization.

PROGRAM BENEFITS:

Social workers, social service aides and homemakers provide the following services:

1. Adoption services provided to 936 families and children.
2. Day care provided to 3,000 children.
3. Foster care provided to 1,600 children and 300 adults.
4. Health related services provided to 1,600 adults and 4,000 children.
5. Homemaker services provided to 1,000 adults, families and children.
6. Information referral and follow-up provided to 8,000 individuals.
7. Protective services provided to 2,900 adults and 7,500 children.
8. Institutional placement provided to 1,000 adults.

In addition, through contract, legal services were provided to 1,300 individuals and family planning to 1,000 individuals.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Services programs should be adequately funded. In order to provide quality services and comply with policy initiatives such as promoting community alternatives to institutions, more staff and money is needed.

Coordination should be established between agencies who provide the same or similar services. For example, Aftercare in Department of Institutions, Social Services in SRS, probation, and Casey Family Program all provide foster care. Substantial gains in the Program and better services could be provided to the children and families if there were more coordination.

ELIGIBILITY DETERMINATION PROGRAM Disbursements \$4,913,833

PROGRAM DESCRIPTION: This Program supervises local county operations. The central office costs of maintaining policy and overall responsibility are included. The assistance components are: AFDC, Medical, Food Supplement, and General.

PROGRAM BENEFITS:

This Program pays the cost of establishing and monitoring the eligibility of 63,800 individuals monthly.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Improve eligibility determination and administration to assure Program benefits are provided only to those families that are truly in need and eligible for Program benefits. This will require sufficient staff with adequate training to do an effective and efficient job of eligibility determination.

Improve service to families to enable them to become more self-sufficient. This can be accomplished by providing job and training opportunities that are geared to the families' needs and will actually result in their becoming self-sufficient. The work requirement of the Program needs to be backed up by job and training opportunities that will lead to the self-sufficiency of the AFDC family.

CENTRALIZED SERVICES PROGRAM Disbursements \$1,848,689

PROGRAM DESCRIPTION: The Centralized Services Division provides those services common to all program divisions which would be impractical for each division to provide for itself; i.e., Fiscal, Statistics, Audit, Data Processing, and General Services.

PROGRAM BENEFITS:

There are economies to be gained through centralization of the above functions in the areas of overhead and specialization. We like to think we can perform those duties and functions more efficiently and at less cost than having them distributed throughout the various Program divisions.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Because of a limitation in FTEs, we must seek new and better ways of doing things by modernizing our operations via acquisition of modern equipment and improving our operational procedures. We must find ways to perform the tasks of an ever increasing workload with no additional FTEs. Anything we can do to reduce the manual applications via automation or elimination will result in better service and perhaps cost avoidance to the Program divisions.

STAFF DEVELOPMENT PROGRAM Disbursements \$1,253,219

PROGRAM DESCRIPTION: Staff development and training is the planning and/or conducting of group or individual learning sessions for specified staff members. Training prepares them to undertake their jobs and to serve clients in a more effective and efficient fashion. It covers all educational and in-service training programs which help the worker to better provide agency services to people. Staff development attempts to improve agency services by improving staff performance. The basic objective of staff development is to develop the capabilities of all employees so that they can perform their jobs with maximum efficiency in carrying out the purpose and function of the agency.

PROGRAM BENEFITS:

Provided 20 orientation sessions, involving 248 persons who were new to the agency.

Provided 359 in-service training and educational leave workshops for 2,489 agency persons. These workshops provided knowledge to workers so that staff performance could be improved. Improving job performance to the maximum should result in more effective and efficient services offered the recipients.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Reinstitute a centrally located orientation program for all newly appointed SRS personnel. A staff should be provided an orientation program that reflects the same philosophy and agency priorities to everyone. Such a program should serve to strengthen statewide implementation of rules and regulations as well as offer quality services to eligible individuals.

FIELD SERVICES PROGRAM Disbursements \$167,349

PROGRAM DESCRIPTION: The Field Services Program is responsible for coordinating efforts of the Department and county welfare agencies, interpreting state level plans policies, and rules to the local organizations. Regional representatives located throughout the state work with local SRS personnel, citizen groups, and county and local welfare staffs in developing and evaluating programs in the health, welfare, rehabilitation, law, and correction fields.

PROGRAM BENEFITS:

The field staff keep district and county staff informed of central office policy and represent the director in the field. County combinations have been maintained.

VOCATIONAL REHABILITATION PROGRAM Disbursements \$3,666,507

PROGRAM DESCRIPTION: This is the principal state Program to provide needed services to vocationally handicapped people (except visually handicapped) of employable age, to restore them to gainful employment. Program emphasis is on serving first the severely disabled. Required vocational rehabilitation services will be furnished an individual if found by diagnostic study to require such services. Vocational rehabilitation is vocationally oriented and geared to developing skills and work habits needed by the handicapped to obtain jobs in the competitive market. Such employment can be the practice of a profession, home-making, farm or family work, sheltered employment, homebound employment, or other gainful work.

PROGRAM BENEFITS:

During this time period, 4,241 handicapped persons were referred for VR services, and 9,940 were served. Forty-six percent of these were considered severely disabled. 1,092 handicapped Montana citizens were placed in gainful employment. The eight rehabilitation facilities continue to be certified by the Commission on Accreditation of Rehabilitation Facilities (CARF) and do provide quality services for this Program. Through technical assistance, all of these facilities now have program evaluation and a functioning information system installation. Seventy-four persons not feasible for gainful employment were provided sheltered employment in sheltered workshops and work activity centers through the special state funds provided. Forty-four persons received life saving treatment for chronic renal disease through the special state funds provided for this purpose. A federal Innovation and Expansion grant enabled placement persons at five facilities to place 111 workshop clients into gainful employment. A session was held in Great Falls to provide additional certified interpreters for the deaf.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

It is becoming more difficult to expand services to the severely disabled with less funding from both state and federal sources.

DISABILITY DETERMINATION PROGRAM Disbursements \$661,898

PROGRAM DESCRIPTION: The 1960 amendments to the Social Security Act provided for disability benefits to be paid to disabled wage earners as a partial replacement of earnings provided the wage earner had insured status. Benefits are also payable to the spouse and children based on the amount of FICA contributions by the wage earner. In 1974 the Supplemental Security Disability Program started with Social Security as the administrative authority. This Program replaced the state administered Aid to the Disabled and Blind Programs. The Disability Determination Bureau adjudicates all Montana applications for the above programs.

PROGRAM BENEFITS:

The specific purpose of either Program is to provide money payments to disabled individuals in order to assist in securing such basic needs as food, clothing and shelter. In Montana in FY 1977, 4,575 SSI disabled beneficiaries received approximately \$6.9 million. 7,835 disabled workers received Social Security disability benefits totalling \$21.5 million. The Disability Determination Programs required disability decisions on 6,625 Montana applications in FY 1977.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The major area of program focus will be in the area of professional relations. This function requires personal contact with individual physicians as well as medical groups to explain program and evidentiary requirements, resolution of medical fee issues, and recruitment of consultative physicians. Hopefully this effort will promote timeliness and quality of medical reports from treating physicians, specialists, clinics, hospitals and other third party providers. This should facilitate the disability determination process.

YOUTH DEVELOPMENT PROGRAM Disbursements \$1,104,190

PROGRAM DESCRIPTION: The Child and Youth Program seeks to reduce the number of children and youth in need of care; reduce barriers to the normal development of children and youth; reduce the number of "youth in need of supervision" on probation caseloads; and reduce the number of "delinquent youth" on probation caseloads.

PROGRAM BENEFITS:

Crisis intervention programs provided services to 191 runaways and other youth.

Care and treatment services were provided for 35 youth through three Achievement Home Group Care facilities to enable these youth to remain in their communities and attend their regular schools.

Child abuse and neglect prevention services were provided to 88 children and their families through Helena's Family Teaching Center Demonstration Project.

368 children were provided with a meaningful one-to-one relationship with a caring adult through the purchase of services from Big Brothers/Sisters Programs.

Training sessions in child care and development were provided for over 500 agency staff, child care providers and parents during FY 1977.

VISUAL SERVICES PROGRAM Disbursements \$581,766

PROGRAM DESCRIPTION: Visual Services Division provides:

1. Vocational Rehabilitation Services to blind and visually impaired individuals

PROGRAM DESCRIPTION: (continued)

which include the following services:

- a. medical and vocational diagnosis
 - b. physical restoration services
 - c. training for a job
 - d. job placement
 - e. follow-up services.
2. Visual Services Medical Program which provides necessary eye care for Montana residents who are determined medically indigent (eye care includes surgery, hospitalization, and subsequent prostheses).
3. Business Enterprise Program which implements the Randolph-Sheppard Act and small businesses for individuals.
4. Mobility and Orientation Program which trains blind individuals to travel independently in support of their vocational rehabilitation.
5. Rehabilitation Teaching Program which trains individuals in daily living skills to operate and function in their own homes, and trains hospital and nursing home personnel techniques for working with blind and visually handicapped patients.

PROGRAM BENEFITS:

Of the approximately 1,500 legally blind persons in Montana, 75% have light perception or better. About 7,500 additional persons are visually handicapped. In FY 1977, 765 persons were referred to the Visual Services Rehabilitation Program. Of these, 119 were successfully rehabilitated. Our project goal for this period was 108 persons to be successfully rehabilitated. 439 persons are still in different phases of their vocational rehabilitation program.

The Visual Services Medical Program serves approximately 400 individuals each year. These are the very elderly, the very young, and the very disabled who are not eligible for rehabilitation services.

The Business Enterprise Program supervises 7 facilities (Randolph-Sheppard Act) in federal or state locations throughout the state. Four new locations are in various stages of planning and implementation at this time.

The Mobility and Orientation Program provided services to approximately 100 persons who received training in independent travel techniques.

The Rehabilitation Teacher Program has provided services to approximately 425 handicapped persons and training to 320 hospital and nursing staff.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Continue all programs now in effect through FY 1978.

DEVELOPMENTAL DISABILITIES DIVISION Disbursements \$6,847,783

PROGRAM DESCRIPTION: The function of the Program is to assure the provision of quality services to the developmentally disabled citizens of Montana. The Division is responsible for the planning and development of community based services for people who are mentally retarded, autistic, epileptic, who have cerebral palsy or any other neurological handicapping conditions closely related to mental retardation if the disability originated before the person attained the age of 18.

PROGRAM BENEFITS:

The Division developed a continuum of adult services, beginning with intensive community homes and training programs through semi-independent living and competitive employment.

While the Division continued to maintain and develop community based services to the adult populations, a major thrust was for the development of services to children and their families. These services enabled children who resided in institutions to return to the community where these services were not available previously. These services also helped to prevent the child already in the community from entering the institution. Services are also provided to those families who had never received services before, but were maintaining their developmentally disabled child in their own homes.

By June 30, 1977, 280 people were placed in the community from institutions, 35 were from Warm Springs State Hospital, 30 were from Galen, 215 were from Boulder River School and Hospital. Of the 215 from Boulder River School and Hospital, 46 were children and 169 were adults. In addition to the 280 people from the institutions, there were approximately 1,120 people from the communities who were receiving at least one service through the Division. Community based services are more economical than institutional services as demonstrated by a study prepared by the Office of Budget and Program Planning which shows the average annual per capita costs for community placed developmentally disabled persons to be \$10,891 during FY 1977, while institutional per capita cost was \$28,257 for the same time period.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The Program will be improved by the following goals:

1. Develop a full range of appropriate services in each region of the state for clients currently enrolled and to be included during the fiscal year.
2. Develop the service capability of appropriate generic services for the clients enrolled.

AGING SERVICES BUREAU Disbursements \$1,835,088

PROGRAM DESCRIPTION: Aging Services Programs were established under the Older Americans Act of 1965 to provide a healthy and enjoyable environment for Montana's senior citizens. Service areas include transportation, health, homemaker/chore, housing rehabilitation, nutrition, recreation, employment and other social activities.

PROGRAM DESCRIPTION: (continued)

Programs were also designed for self maintenance of Montana seniors with the purpose of eliminating isolation and curtailing the need of institutionalization.

Programs are primarily operated through a network consisting of state Aging Services Bureau, Area Agencies on Aging, and County Councils on Aging.

PROGRAM BENEFITS:

Seniors have received cursory health services such as blood pressure clinics, glaucoma clinics, etc. Transportation was made available and extended to more areas this past year. Nutrition extended to cover all Indian reservations and most counties in the state. Employment has been provided through the Foster Grandparent Program and the Information and Referral Program, where approximately 125 Montana seniors are receiving some source of income. In addition, three national contractors, under Title IX of the Older Americans Act, are providing approximately 245 job slots.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Expand nutritional sites to cover every county in the state.

Expand transportation so that it will be accessible statewide.

Continue the emphasis on Home Health Care through existing Home Health agencies and develop resources to establish other health agencies.

Continue emphasis and expansion on blood pressure and other type clinics conducted from senior centers.

VETERANS AFFAIRS PROGRAM Disbursements \$297,842

PROGRAM DESCRIPTION: The Division is charged with the responsibility of administering the affairs of veterans of the Armed Forces of the United States, their relatives, beneficiaries and dependents who may be entitled to benefits under the laws of the United States and the several states thereof. Assistance is provided in filing claims with the Veterans Administration and acting as claimant advocate as the accredited representative before the Veterans Administration.

PROGRAM BENEFITS:

During FY 1977 the Division represented by virtue of Power of Attorney 43,492 veterans and dependents. 58,439 contacts were made and 3,457 claims were filed on behalf of these claimants along with 14,841 supporting documents.

PROGRAM BENEFITS: (continued)

Initial awards for the year amounted to:

Compensation and Pension	\$ 553,418
Death Pension and Compensation	461,841
Education	4,139,624
Insurance	477,498
Direct Loans	1,590,949

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

In order to provide better service to the area with the largest veterans' population in the state an additional service officer is needed in the Billings office. Current estimates place the state veterans' population at 101,000 with nearly 16,000 in Yellowstone County.

